

NO: F002

COUNCIL DATE: April 14, 2025

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## FINANCE COMMITTEE

TO: **Mayor & Council**

DATE: **March 27, 2025**

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

FILE: **1705-05**

SUBJECT: **2025 Five-Year (2025-2029) Financial Plan – General Operating**

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### 1.0 RECOMMENDATION

It is recommended that the Finance Committee recommend that Council:

1. Approve the recommendations made in Sections 3.0 – 8.0 and as generally outlined in this report; and
2. Direct staff to prepare the 2025 Five-Year (2025-2029) General Operating and Roads & Traffic Operating Financial Plan incorporating these recommendations and consistent with Appendix “I” and “II” of this report.

### 2.0 BACKGROUND

#### Five-Year (2024-2028) Financial Plan

Council approved the 2024 Five-Year (2024-2028) Financial Plan in May 2024, which included direction for the years 2024 to 2028. The proposed 2025 Five-Year (2025-2029) General Operating and Roads & Traffic Operating Financial Plan has been formulated based on direction from Mayor and Council, reflecting City strategies, resource requirements to maintain service delivery, and feedback on community priorities obtained during the City’s budget engagement process. Details of the key assumptions, directions and priorities are discussed in the following sections of this report.

### 3.0 DISCUSSION

The proposed 2025 Five-Year (2025-2029) General Operating Financial Plan has been developed based on direction provided by Council, and is predicated on the following three key drivers:

1. **2.8%** General Property Tax increase (equating to approximately \$77 for the average assessed single-family dwelling) to provide funding for:
  - a. General inflationary pressures;
  - b. New resources for Police Services, Fire Services, and Bylaw Services. Further details are provided in Section 3.1; and

- c. New resources and operating funding for City Wide Operations (non-public safety), further details provided in [Section 3.2](#) of this report.
2. **1.0%** Roads & Traffic levy increase (equating to approximately \$27 for the average assessed single-family dwelling) to support On-going operating requirements, maintenance, and capital improvements in relation to the City's transportation infrastructure; and
3. Generally, User Fee increases up to 2.2% to partially offset the cost increases associated with providing City services.

Council has identified several key priority areas for the City as discussed in the following sections. New funding requirements needed to meet these priority areas are further discussed in [Section 4.0](#) in this report.

### 3.1 Public Safety

Public Safety continues to be a key priority for Mayor and Council and is accordingly reflected in the proposed 2025 Five-Year (2025-2029) General Operating Financial Plan.

Public Safety is comprised of the Surrey Police Service ("SPS"), the Surrey Fire Service and Bylaw Services.

#### i) Policing

On November 29, 2024, SPS assumed responsibility for policing and law enforcement as the City of Surrey's new police of jurisdiction, the next phase in the City's ongoing transition to a municipal police service.

The proposed Five-Year Police Services Net Operating budget, as presented in the table below, shows the Surrey Police Board's ("Board") approved budget, along with expected Provincial and available City one-time transition funding associated with policing operations within the City for the years 2025-2029.

Table 1: 2025-2029 Proposed Police Services Net Operating Budget

<b>SUMMARY</b>	<b>2025 BUDGET</b>	<b>2026 PLAN</b>	<b>2027 PLAN</b>	<b>2028 PLAN</b>	<b>2029 PLAN</b>
a) Surrey Police Service	\$ 285,083	\$ 285,083	\$ 285,083	\$ 285,083	\$ 285,083
b) Provincial Contribution	(30,000)	(30,000)	(30,000)	(30,000)	(20,000)
c) One-Time Transition Funding	(14,942)	(0)	(0)	(0)	(0)
<b>TOTAL</b>	<b>\$ 240,141</b>	<b>\$ 255,083</b>	<b>\$ 255,083</b>	<b>\$ 255,083</b>	<b>\$ 265,083</b>

The proposed 2025 Police Services Operating budget is comprised of the following three components:

#### a) *Surrey Police Service:*

In accordance with Provincial legislation, the Police Act, the Board submitted their 2025 provisional and revised budgets to the City, inclusive of three main components: Surrey Police Service Operations, Lower Mainland Integrated Police Services, and the Provincial Operations Support Unit (comprised of RCMP members supporting SPS). Surrey Police Service Operations includes costs for what would have previously been

included in the General Operating Financial Plan as the *City Police Support Services* division.

Elements of the core assumptions used to build the 2025 SPS budget were developed through discussions by the Advisory Budget Committee (“ABC”), which consists of collaborating members representing the City, the Board and SPS, all with the goal of optimizing Surrey’s policing budget to efficiently utilize taxpayer resources.

As part of the 2023 Five-Year (2023–2027) Financial Plan, Council approved an increase of an additional 25 sworn members per year, every year from 2023 to 2027 (with an additional increase of one member in 2024, totalling 26 sworn members). The targeted policing strength for 2025 is 810 sworn members, inclusive of the planned additional 25 sworn members in 2025. The 2025 SPS budget utilizes this planning assumption and reflects a combined policing strength (between SPS and RMCP members) of 810 sworn members by the end of 2025.

The Board’s 2025 budget submission did not include estimated costs for the years 2026-2029. As such, SPS costs for those future years have been held constant at the 2025 budgeted amount to accurately reflect the information available to the City at this time.

The policing transition has entered its final phase and will be completed when SPS no longer requires assistance from the RCMP Surrey Provincial Operations Support Unit. The timeline for this will depend on the pace of SPS hiring, infrastructure development, and file transfer. It is anticipated that the SPS Board will be in a position to provide Five-Year budgeted financial information, in alignment with the City’s Five-Year Financial Plan time horizon, once the policing transition is complete.

*b) Provincial Contribution:*

In July 2024, the British Columbia (“BC”) government and the City of Surrey reached an agreement that will complete the transition to the SPS by providing oversight, accountability and cost mitigation for residents and businesses in Surrey. Through the agreement, the Province will provide \$30.0M per year to assist with policing transition costs until 2028. The agreement also provides a financial guarantee of as much as \$20.0M per year based on an “Actual Salary Cost Differential” calculation, as defined in the agreement, performed each year from 2029 to 2034. The “Actual Salary Cost Differential” compares salary costs for SPS and RCMP members across individual equivalent ranks of sworn members in each applicable year to determine an overall “Annual Pay Differential” between the two police forces. The City is eligible to receive the lesser of \$20M or the actual “Annual Pay Differential” calculated for each year between 2029 and 2034. The funding from the Province will help to lessen the financial impact of the policing transition on Surrey taxpayers.

The 2025 Provincial government contribution of \$30.0M towards policing transition costs has been applied against 2025 budgeted Policing costs. Additional expected future-year Provincial contributions have been incorporated into the 2025-2029 General Operating Financial Plan.

c) *One-Time Transition Funding*

Council approved \$63.7M of One-Time Transition funding for SPS one-time investments to replace key components of existing Surrey RCMP infrastructure and equipment. These investments include information & technology equipment, police uniforms and kits, office equipment and fleet transition costs.

One-time transition requirements also include consulting, facilities, fleet, human resources, information & technology, and legal costs.

Within the 2025 SPS budget, there are significant one-time expenditure items that are part of SPS's start-up cost. Of the \$63.7M One-Time Transition funding, there is a remaining balance of \$14.9M at the end of 2024, which will be applied against 2025 budgeted Policing costs and is expected to be utilized in full within the fiscal year.

Additional details on the financial requirements related to Policing for the proposed 2025 Five-Year (2025-2029) General Operating Financial Plan are provided in Section 4.0 of this report.

ii) Fire Services

As part of the 2023 Five-Year (2023–2027) Financial Plan, Council approved an increase of 20 additional Fire personnel per year, every year from 2023 to 2027. This annual investment of resources will enable Fire Services to continue providing a high quality of service to the community while addressing increasing demand driven by increased population growth. The proposed 2025 budget includes funding for these 20 additional personnel, in line with operational requirements and Council direction.

The funding for 20 new Fire personnel included in the proposed budget will be utilized to address increasing population density as well as overall response workload in Central Newton. Fire Operations will receive an increase of 20 fire fighting positions in 2025. This growth in resources will allow for expanded capabilities to a rescue engine as added capacity for the increased demand in Central Newton.

Additional details on the financial requirements related to Fire Services for the proposed 2025 Five-Year (2025-2029) General Operating Financial Plan are provided in Section 4.0 of this report.

iii) Bylaw Services

As part of the 2023 Five-Year (2023–2027) Financial Plan, Council approved an increase of 10 additional Bylaw personnel per year, every year from 2023 to 2027. This yearly allocation of resources will allow Bylaw Services to maintain its high level of community service while meeting the growing demand resulting from population growth. The proposed 2025 budget includes funding for these 10 additional personnel, in line with operational requirements and Council direction.

The Bylaw Services team has continued to expand services, increasing the focus on illegal construction enforcement, commercial vehicle enforcement and Surrey Outreach Team. Additionally, Bylaw Services will be addressing the licensing and enforcement of Short-Term Rentals in 2025. The regular call load for enforcement and investigation

continues to increase year-over-year. Bylaw Services provides seven-day-a-week service with a significant presence in the community. It also provides service to residents by operating the 365-day-a-year Surrey Animal Resource Centre.

Additional details on the financial requirements related to Bylaw Services for the proposed 2025 Five-Year (2025-2029) General Operating Financial Plan are provided in [Section 4.0](#) of this report.

### **3.2 City-Wide Staffing and Operating Costs (Non-Public Safety)**

The proposed budget incorporates necessary funding for On-going staffing and operating costs that will allow the City to continue to provide the efficient and effective delivery of services to our residents. These On-going cost increases in 2025 are primarily related to information technology licensing costs, liability insurance costs, corporate security costs, hydro, natural gas and fuel costs, and other contractual cost escalations.

In addition to the On-going costs discussed above, new staffing and operating cost requests have been submitted by department heads for 2025. These requests reflect City departments' commitment to the continuation of high levels of service to residents and businesses and are also reflective of the significant growth the City has experienced and will continue to experience in future years. The proposed budget includes a proposed investment in personnel resources and additional operating cost funding across various City departments, as demonstrated in the examples presented below:

#### New Staffing Request Examples:

- *Senior Claims Examiner*

The Legal Services and Risk Management section successfully manages a steady volume of claims each year through an efficient group of adjusters. The City bears responsibility for any financial impact arising from policing claims, creating a need for the capacity to control the administration of claims and any potential litigation associated with policing activities.

The new Senior Claims Examiner would manage claims for the City, with a primary focus on claims involving SPS. In-house policing claims expertise will enhance productivity, avoid costs for external independent adjusters, and allow for timely and professional responses to claims from the public.

- *Workplace Health Specialist*

The Human Resources division has requested a new Workplace Health Specialist position, focusing on disability management. The Specialist would promote and support health and wellness, create a healthy workforce by preventing and reducing the impacts of illness and injury and support workplace accommodation, rehabilitation, and reintegration. The focus of this role is to make a positive difference in the recovery and wellbeing of employees returning to work or remaining at work, thereby increasing employee engagement and productivity in the workplace.

- *Public Engagement Manager*

The City conducts public engagement to solicit feedback from residents and stakeholders on infrastructure projects, recreation amenities, services, land use planning, and the Five-Year Financial Plan. Hearing from diverse voices helps create a city that reflects the population, encourages inclusion, and increases civic participation.

Currently, public engagement is conducted through an external consultant in conjunction with City-owned systems and technology. The new Public Engagement Manager would develop and lead a new section within the Marketing & Communications division reducing the reliance on external consultants through in-house capacity building, leveraging the City's existing systems and technology, and increasing efficiencies through in-house expertise.

- *Plan Checkers*

The City is making ongoing efforts to streamline the development and permitting process to facilitate the delivery of housing in the short and long term. Through process improvements and program initiatives, the City is committed to delivering service excellence and enhancing the certainty and transparency in the permit approval process.

The Guaranteed Permitting Timelines program seeks to improve the speed and predictability in the land development approval process, thereby demonstrating the City's commitment to the development industry and to improving access to housing and affordability in Surrey. The Guarantee provides confidence that the City, working in partnership with Land Development applicants, is doing everything within its power to meet the permit processing targets.

Several new Plan Checker positions will enable the Building Division to increase capacity within the "new and additions to residential building" plan review team to meet the forecasted demand for building permit applications. This increase in resources will allow the City to continue to meet and exceed guaranteed building permit timelines.

- *Facilities HVAC Technician*

Civic Facilities' building inventory has increased significantly in recent years, with newer buildings introducing more complexity to maintenance programs due to enhanced equipment. A greater spectrum of climate-driven temperature fluctuations results in greater demand for heating and cooling related service requests. Additionally, more stringent air quality standards require labour intensive monitoring and filter replacement by Facilities' staff.

The HVAC Technician would assist in maintaining the City's facilities assets through a robust and proactive preventative maintenance program with the objective of reducing repair and replacement costs. This additional resource would support Civic Facilities in responding to service requests in a timely manner and reducing the reliance on external contractors through expert in-house service delivery.

### New Operating Request Examples:

- *Multilingual Communications Policy Implementation*

In September 2024, Council officially adopted its first ever Multilingual Communications Policy aimed at enhancing communication accessibility for the City's diverse population. This landmark decision underscores Surrey's commitment to serving its residents in an inclusive and equitable manner. The policy will guide the City's translation efforts, focusing on critical communication that impacts health, safety, and community initiatives, among other areas. This initiative aligns with the City's broader goals of inclusivity and improved governance through enhanced accessibility to information. The adoption of the Policy will transform how the City interacts with its diverse communities, ultimately fostering a stronger sense of belonging and civic participation among all residents.

Funding is required to support the implementation and maintenance of the Policy City-wide.

- *Civic Facilities Annual Indoor Pool Shutdowns*

Civic Facilities performs preventative maintenance on the City's indoor pools through a scheduled five-to-six-week shutdown for two pools each year. Each indoor pool undergoes a maintenance shutdown once every two years. During the shutdown, pumps and pool components are rebuilt and other assets are maintained to optimal condition to ensure the highest operating efficiency and minimization of potential emergency closures. Newer pools contain complex components and a large number of pumps that require increased resources and supplies. Inflation in the costs of those supplies has significantly increased preventative maintenance costs.

Funding is required to support the increased costs of the indoor pool maintenance program to ensure the continued provision of safe and high-quality aquatic recreation amenities for patrons.

- *Strawberry Hill Library Annual Rent*

Opened in May 2000, the 11,000 square foot Strawberry Hill Library operates in a stand-alone leased building located within a larger shopping centre complex. The original lease spanned 15 years with a 10-year extension option, which was exercised, at a nominal annual rate which effectively resulted in a zero-cost lease to the City. The shopping centre has recently undergone an ownership change and it is expected that the Library will now be subject to annual rent and common area maintenance charges at prevailing market rates.

Other Requests:

- *Contribution to Capital*

The increased 2025 Contribution to Capital addresses additional funding requirements resulting from Council's direction to include 10 new capital projects within the proposed 2025 Five-Year (2025-2029) Financial Plan – Capital Program as further described in Corporate Report No. Foo3; 2025 Five-Year (2025-2029) Financial Plan – Capital Program.

Inflationary pressures resulting in cost increases for construction-related supplies and materials along with wages and compensation for construction workers and consultants, have continued to impact capital project costs. The proposed budget for Contribution to Capital also reflects funding to offset these inflationary pressures.

- *Hotel Tax Grants*

Administered by the Provincial government and Destination BC, the Municipal and Regional District Tax ("MRDT"), also referred to as the *Hotel Tax*, is an accommodation tax of up to three percent on short-term tourist accommodation which funds tourism marketing in communities via an agreement with the Province. MRDT funds are received by the City from the Province and distributed to two external partners: Discover Surrey and the Surrey Hotel and Motel Association.

Prior to the new Five-Year (2025-2030) agreement with the Province, the City did not retain any MRDT revenue with all funds distributed to the external partners. Hotel Tax revenues were not previously included in the City's Five-Year Financial Plan as the total amount of funding received was fully distributed, with the City acting as a conduit to flow-through MRDT funding to external partners with no residual impact to City finances.

Under the new agreement, the City will retain a small proportion of the funding for use in ensuring staff are in place to promote Surrey as a sport destination and to administer the MRDT program. Accordingly, Hotel Tax Grant expenditures are proposed within the 2025 Financial Plan to account for the distribution of funding to external partners along with the City's residual portion.

The estimated 2025 contribution of \$2.4M is shown in both Section 4.2 Other Corporate Funding Requirements and Section 5.0 New Funding Available to denote the receipt of the funds by the City from the Province, and the subsequent distribution of the funding to external partners, along with the allocation of the City's residual portion of the funding to the respective City department's proposed 2025 expenditures.

- *Surrey City Development Corporation ("SCDC")*

SCDC, a wholly owned subsidiary of the City, is a value-added real estate development company whose mandate is to provide strategic real estate advice in support of the City of Surrey's vision for redeveloping areas of the City including the best use of surplus City-owned lands in ways that advance the City's social, cultural, community, economic and environmental objectives.

SCDC was originally incorporated in 2007 with the City as its sole shareholder. A Council resolution in 2020 had directed staff to dissolve SCDC. In April 2023, the current Council



moved forward with re-operationalizing SCDC through the approval of Directors on the Board of SCDC and the appointment of a President and Chief Executive Officer.

In 2025 and beyond, SCDC will focus on delivering impactful “City Building” projects which will help shape and accelerate Surrey’s growth in positive and meaningful ways. The proposed budget includes City funding for SCDC’s 2025 operating costs, which will be provided to the corporation in the furtherance of their mandate and strategic objectives.

Further details of the funding impact of the aforementioned proposed On-going and additional staffing and operational cost resources related to the proposed 2025 Five-Year (2025-2029) General Operating Financial Plan are provided in [Section 4.0](#) and [Section 5.0](#), respectively, of this report.

### **3.3 Capital Program and Related Operating Costs**

The proposed 2025 Five-Year (2025-2029) General Operating Financial Plan incorporates general operating funding to support the Capital Program. Detailed information on the Capital Program will be presented under Corporate Report No. Foo3; 2025 Five-Year (2025-2029) Financial Plan – Capital Program.

## **4.0 NEW FUNDING REQUIREMENTS**

This section of the report summarizes new funding requirements needed, based on Council direction, in relation to City priorities.

The section is segregated into Public Safety Requirements and Other Corporate Requirements.

#### 4.1 Public Safety Funding Requirements:

##### i) Policing

Change in net expenditures for Police Services	30.41M	
New Police officers, 25 positions	4.72M	
City One-Time Transition funding	(14.94)M	
Allocated Provincial Policing Contribution	<u>(30.00)M</u>	
<b>Total New Policing Funding Requirements</b>		<b>\$(9.81)M</b>

##### ii) Fire Service

New Fire personnel, 20 positions	4.20M	
Labour adjustments and operating costs	<u>0.23M</u>	
<b>Total New Fire Service Funding Requirements</b>		<b>\$4.43M</b>

##### iii) Bylaw Services

New Bylaws personnel, 10 positions	1.23M	
Other labour adjustments	0.17M	
Operating and other costs	<u>0.05M</u>	
<b>Total New Bylaws Funding Requirements</b>		<b>\$1.45M</b>

<b>Total New Public Safety Funding Required for 2025</b>	<b>\$(3.93)M</b>
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#### 4.2 Other Corporate Funding Requirements:

Allocation of Provincial Policing Contribution	\$30.00M
Change in Contribution to Capital	19.94M
Labour adjustments, excluding Public Safety	4.25M
New resources & operating costs, excluding Public Safety	3.00M
Departmental inflationary & contractual increases	2.85M
Hotel Tax Grants	2.40M
Increase to Sport Surrey Grant Program	0.45M
SCDC Operating Costs	0.20M
Net change in Corporate Expenditures and Operating transfers	<u>(5.80)M</u>

<b>Total New Corporate Funding Required for 2025</b>	<b>\$57.29M</b>
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<b>Total New Public Safety &amp; Corporate Funding Required for 2025</b>	<b>\$53.36M</b>
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## 5.0 NEW FUNDING AVAILABLE

The Province’s Local Government Climate Action Program (“LGCAP”) provides local governments with funding to support local climate action that reduces greenhouse gas emissions, prepares communities for the impacts of a changing climate and creates new opportunities for people in the clean economy.

In 2024 the Province allocated the equivalent of three years of program funding to all participants in one lump sum payment, with no further payments expected at this time. This results in a year-over-year reduction to 2025 funding available as presented below.

Starting in mid-2024 the Bank of Canada (“BOC”) undertook efforts to balance economic growth and address declining inflation through numerous reductions in their key interest rate. A series of successive rate cuts amounted to a total 2.25% reduction in the BOC’s target for their policy interest rate. Interest rates on investment products experienced a decline in reaction to the BOC monetary policy adjustments. As a result, 2025 investment income derived from the City’s investment portfolio is expected to decrease as presented below.

The following are key revenue changes that are expected to offset the anticipated new funding requirements in 2025.

Provincial Policing Contribution	\$30.00M
General Property Tax increase	14.59M
Property tax and Secondary Suite revenue due to anticipated growth	10.46M
Net departmental revenue increases	3.93M
Net increase to other corporate revenues	3.64M
Hotel Tax revenue	2.40M
Decrease in LGCAP funding	(3.44)M
Decrease in corporate Investment Income	<u>(8.22)M</u>

<b>Total New Funding Available for 2025</b>	<b>\$53.36M</b>
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## 6.0 SUMMARY OF PROPOSED 2025 GENERAL OPERATING FINANCIAL PLAN

Total New Public Safety & Corporate Funding Required for 2025	\$53.36M
Total New Funding Available for 2025	<u>(53.36)M</u>
Net Difference	\$0.00M

<b>Surplus/(Deficit)</b>	<b>nil</b>
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## 7.0 ASSUMPTIONS APPLIED FOR THE 2025 GENERAL OPERATING FINANCIAL PLAN

The proposed 2025 General Operating Financial Plan has been drafted by applying the following key assumptions:

1. A property tax increase of approximately \$77 for the average assessed single-family dwelling. This will directly fund additional public safety resources in Policing, Fire Services, Bylaw Services, and other general operating needs, including On-going and

additional staffing and operating costs. The additional funding will allow the City to maintain current service levels, expand services and address priorities related to public safety and other City services; and

2. Generally, User Fee increases up to 2.2% to partially offset the cost increases associated with providing City services.

## **8.0 2025 ROADS & TRAFFIC SAFETY LEVY**

A Roads & Traffic Safety Levy was established in 2008 to ensure that a stable, sustainable funding source was available to meet the growing traffic and safety needs of the City. This levy addresses the maintenance of roads, as well as traffic calming measures, crosswalks, sidewalks, and measures to reduce congestion throughout the City. This utility is partly supported by a levy that is based on the assessed value of individual properties in each property class and is also funded by a contribution from the General Operating Fund.

As reflected in Appendix “II”, the Roads & Traffic Safety Levy is proposed to be increased in 2025 by approximately \$27 for the average assessed single-family dwelling, in alignment with the results of the feedback received through the 2025 budget engagement process.

The increase in this levy will be applied towards the 72 Avenue Extension (152 St. to 176 St.) project along with state of good repair activities and future replacement of transportation infrastructure. Similar adjustments to the Roads & Traffic Safety Levy are incorporated for each remaining year in the proposed Five-Year Plan to ensure adequate funding is available to meet the City’s transportation needs over time.

## **9.0 CONCLUSION**

Based on the discussion and information provided in this report, it is recommended that the Finance Committee recommend that Council:

1. Approve the recommendations made in Sections 3.0 – 8.0 and as generally outlined in this report; and
2. Direct staff to prepare the 2025 Five-Year (2025-2029) General Operating and Roads & Traffic Operating Financial Plan incorporating these recommendations and consistent with Appendix “I” and “II” of this report.

Kam Grewal, CPA, CMA  
General Manager, Finance

Robert Costanzo  
City Manager

Appendix “I”: Proposed 2025-2029 Financial Plan – General Operating

Appendix “II”: Proposed 2025-2029 Financial Plan – Roads & Traffic Operating

**2025 - 2029 FINANCIAL PLAN  
GENERAL OPERATING - FINANCIAL SUMMARY**

*(in thousands)*

<b>REVENUE SUMMARY</b>	<b>2025 BUDGET</b>	<b>2026 PLAN</b>	<b>2027 PLAN</b>	<b>2028 PLAN</b>	<b>2029 PLAN</b>
<b>Taxation</b>	<b>\$ 578,228</b>	<b>\$ 605,629</b>	<b>\$ 634,629</b>	<b>\$ 665,325</b>	<b>\$ 697,817</b>
Sale of Goods and Services					
Departmental Fees & Charges	<b>57,895</b>	59,549	61,250	62,999	64,805
Secondary Suite Infrastructure Fees	<b>35,492</b>	36,555	37,648	38,775	39,936
Other Corporate Fees & Charges	<b>4,646</b>	4,796	4,946	5,096	5,246
<b>Sale of Goods and Services</b>	<b>98,033</b>	100,900	103,844	106,870	109,987
<b>Investment Income</b>	<b>62,390</b>	56,546	47,329	39,494	32,835
Transfers from Other Governments					
Departmental Government Transfers	<b>12,131</b>	12,151	12,172	12,193	12,215
Corporate Government Transfers	<b>63,885</b>	58,803	34,923	35,029	25,060
<b>Transfers from Other Governments</b>	<b>76,016</b>	70,954	47,095	47,222	37,275
Other Revenues					
Departmental Other Revenues	<b>46,844</b>	48,225	49,646	51,111	52,621
Corporate Other Revenues	<b>21,392</b>	21,454	22,326	24,845	25,010
<b>Other Revenues</b>	<b>68,236</b>	69,679	71,972	75,956	77,631
<b>TOTAL REVENUE</b>	<b>\$ 882,903</b>	<b>\$ 903,708</b>	<b>\$ 904,869</b>	<b>\$ 934,867</b>	<b>\$ 955,545</b>
<b>EXPENDITURE SUMMARY</b>					
Departmental Expenditures	<b>\$ 703,760</b>	\$ 713,526	\$ 727,661	\$ 736,310	\$ 746,655
General Government - Council Initiatives	<b>260</b>	260	260	260	260
Fiscal Services & Debt Interest	<b>10,610</b>	12,401	14,193	15,057	15,593
Municipal Debt Principal	<b>9,492</b>	9,492	10,185	10,496	10,815
<b>TOTAL EXPENDITURES</b>	<b>\$ 724,122</b>	<b>\$ 735,679</b>	<b>\$ 752,299</b>	<b>\$ 762,123</b>	<b>\$ 773,323</b>
<b>TRANSFERS SUMMARY</b>					
Transfers To/(From) Capital Sources	<b>111,880</b>	84,112	93,899	78,247	73,061
Transfers To/(From) Operating Sources	<b>46,901</b>	83,917	58,671	94,497	109,161
<b>TOTAL TRANSFERS</b>	<b>\$ 158,781</b>	<b>\$ 168,029</b>	<b>\$ 152,570</b>	<b>\$ 172,744</b>	<b>\$ 182,222</b>
<b>NET GENERAL OPERATING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## 2025 - 2029 FINANCIAL PLAN GENERAL OPERATING - REVENUE SUMMARY

(in thousands)

REVENUE SUMMARY	2025 BUDGET	2026 PLAN	2027 PLAN	2028 PLAN	2029 PLAN
<i>CORPORATE REVENUES</i>					
General Property Tax Levy	<b>\$ 472,908</b>	\$ 494,489	\$ 521,177	\$ 549,449	\$ 579,401
Property/Folio Growth (City's Portion)	<b>7,094</b>	4,945	5,212	5,494	5,794
Property Tax Rate Increase/(Decrease)	<b>14,587</b>	21,843	23,160	24,558	26,039
Provision for Adjustments	<b>(100)</b>	(100)	(100)	(100)	(100)
	<b>494,489</b>	521,177	549,449	579,401	611,134
Grants in Lieu	<b>31,264</b>	31,455	31,656	31,868	32,089
Capital Parcel Tax	<b>52,475</b>	52,997	53,524	54,056	54,594
<b>Taxation</b>	<b>578,228</b>	605,629	634,629	665,325	697,817
Secondary Suite Infrastructure Fee	<b>35,492</b>	36,555	37,648	38,775	39,936
Other Corporate Fees & Charges	<b>4,646</b>	4,796	4,946	5,096	5,246
<b>Corporate Sale of Goods and Services</b>	<b>40,138</b>	41,351	42,594	43,871	45,182
<b>Corporate Investment Income</b>	<b>62,390</b>	56,546	47,329	39,494	32,835
Provincial Casino Revenue Sharing	<b>2,962</b>	2,992	3,022	3,052	3,083
Other Corporate Government Transfers	<b>60,923</b>	55,811	31,901	31,977	21,977
<b>Corporate Government Transfers</b>	<b>63,885</b>	58,803	34,923	35,029	25,060
Corporate Lease Revenue	<b>13,392</b>	13,454	14,326	16,845	17,010
Penalties & Interest	<b>8,000</b>	8,000	8,000	8,000	8,000
<b>Corporate Other Revenues</b>	<b>21,392</b>	21,454	22,326	24,845	25,010
<b>Total Corporate Revenues</b>	<b>766,033</b>	783,783	781,801	808,564	825,904
<i>DEPARTMENTAL REVENUES</i>					
<i>General Government</i>					
City Manager's Department	<b>2,400</b>	2,400	2,400	2,400	2,400
Corporate Services	<b>6,920</b>	7,127	7,340	7,560	7,787
Finance	<b>1,544</b>	1,591	1,639	1,688	1,739
	<b>10,864</b>	11,118	11,379	11,648	11,926
<i>Public Safety</i>					
Bylaws	<b>11,139</b>	11,474	11,818	12,172	12,538
Fire	<b>5,352</b>	5,512	5,677	5,846	6,020
Police	<b>10,508</b>	10,508	10,508	10,508	10,508
	<b>26,999</b>	27,494	28,003	28,526	29,066
<i>Other</i>					
Engineering Services	<b>8,477</b>	8,711	8,951	9,198	9,453
Parks, Recreation & Culture	<b>37,696</b>	38,826	39,990	41,189	42,425
Planning & Development	<b>31,379</b>	32,321	33,290	34,287	35,316
Surrey Public Library	<b>1,455</b>	1,455	1,455	1,455	1,455
	<b>79,007</b>	81,313	83,686	86,129	88,649
<b>Total Departmental Revenues</b>	<b>116,870</b>	119,925	123,068	126,303	129,641
<b>TOTAL REVENUE</b>	<b>\$ 882,903</b>	<b>\$ 903,708</b>	<b>\$ 904,869</b>	<b>\$ 934,867</b>	<b>\$ 955,545</b>

**2025 - 2029 FINANCIAL PLAN**  
**GENERAL OPERATING - EXPENDITURE AND TRANSFERS SUMMARY**

(in thousands)

<b>EXPENDITURE SUMMARY</b>	<b>2025 BUDGET</b>	<b>2026 PLAN</b>	<b>2027 PLAN</b>	<b>2028 PLAN</b>	<b>2029 PLAN</b>
<i>General Government</i>					
Mayor, Council & Grants	\$ 7,384	\$ 7,446	\$ 7,511	\$ 7,578	\$ 7,648
City Manager's Department	6,526	6,805	7,094	7,397	7,713
Corporate Services	65,135	67,786	68,519	70,272	72,076
Finance	13,243	13,532	13,827	14,131	14,446
Legal, Bylaws & Risk Services (excl. Bylaws)	9,346	9,763	10,196	10,646	11,115
	<b>101,634</b>	105,332	107,147	110,024	112,998
<i>Public Safety</i>					
Bylaws	14,153	15,510	16,924	17,015	17,107
Fire	95,816	101,184	107,062	107,599	108,107
Police	295,591	295,591	295,591	295,591	295,591
	<b>405,560</b>	412,285	419,577	420,205	420,805
<i>Other</i>					
Engineering Services	6,677	7,540	8,422	9,323	10,247
Parks, Recreation & Culture	124,134	126,681	129,869	133,239	138,098
Planning & Development	29,125	29,529	29,938	30,354	30,777
Surrey Public Library	24,957	25,288	25,627	25,974	26,329
Corporate Operating	11,673	6,871	7,081	7,191	7,401
	<b>196,566</b>	195,909	200,937	206,081	212,852
<b>Departmental Expenditures</b>	<b>703,760</b>	713,526	727,661	736,310	746,655
<b>Council Initiative Fund</b>	<b>260</b>	260	260	260	260
Fiscal Charges	1,271	1,296	1,322	1,348	1,375
Interest Paid on Tax Overpayments	112	113	114	115	116
External Borrowing	9,227	10,992	12,757	13,594	14,102
<b>Fiscal Services &amp; Debt Interest</b>	<b>10,610</b>	12,401	14,193	15,057	15,593
<b>Municipal Debt Principal</b>	<b>9,492</b>	9,492	10,185	10,496	10,815
<b>TOTAL EXPENDITURE</b>	<b>\$ 724,122</b>	<b>\$ 735,679</b>	<b>\$ 752,299</b>	<b>\$ 762,123</b>	<b>\$ 773,323</b>
<b>TRANSFERS SUMMARY</b>					
General Capital Contribution	59,998	32,498	42,562	27,119	22,227
Provincial Casino Revenue Sharing	2,962	2,992	3,022	3,052	3,083
Tree Replacement Contribution	3,646	3,796	3,946	4,096	4,246
Internal Borrowing	-	-	-	33,800	33,800
Other Transfers To/(From) Capital	45,274	44,826	44,369	10,180	9,705
<b>Transfers To/(From) Capital Sources</b>	<b>111,880</b>	84,112	93,899	78,247	73,061
Roads & Traffic Safety Contribution	5,820	3,090	-	-	-
Other Transfers To/(From) Operating	41,081	80,827	58,671	94,497	109,161
<b>Transfers To/(From) Operating Sources</b>	<b>46,901</b>	83,917	58,671	94,497	109,161
<b>TOTAL TRANSFERS</b>	<b>\$ 158,781</b>	<b>\$ 168,029</b>	<b>\$ 152,570</b>	<b>\$ 172,744</b>	<b>\$ 182,222</b>

**2025 - 2029 FINANCIAL PLAN**  
**ROADS & TRAFFIC SAFETY - FINANCIAL SUMMARY**  
*(in thousands)*

<b>REVENUE SUMMARY</b>	<b>2025 BUDGET</b>	<b>2026 PLAN</b>	<b>2027 PLAN</b>	<b>2028 PLAN</b>	<b>2029 PLAN</b>
Roads & Traffic Safety Levy	\$ 46,175	\$ 52,098	\$ 58,409	\$ 58,993	\$ 59,644
Grants in Lieu	1,637	1,653	1,669	1,685	1,702
Special Assessment	288	305	324	343	90
Taxation	<b>48,100</b>	54,056	60,402	61,021	61,436
Sale of Goods and Services	1,089	874	891	909	927
Developer Contributions	850	867	884	902	920
Transfers from Other Governments	7,718	7,837	7,994	8,154	8,317
Other Revenue	2,563	2,700	3,048	3,218	3,399
<b>TOTAL REVENUE</b>	<b>\$ 60,320</b>	<b>\$ 66,334</b>	<b>\$ 73,219</b>	<b>\$ 74,204</b>	<b>\$ 74,999</b>
<b>EXPENDITURE SUMMARY</b>					
Salaries and Benefits	\$ 6,860	\$ 7,008	\$ 7,148	\$ 7,291	\$ 7,436
Operating Costs	23,608	24,070	24,549	25,038	25,537
Internal Services Used	14,303	14,589	14,881	15,179	15,483
Internal Services Recovered	(791)	(806)	(822)	(838)	(854)
External Recoveries	(655)	(668)	(681)	(694)	(708)
<b>TOTAL EXPENDITURE</b>	<b>\$ 43,325</b>	<b>\$ 44,193</b>	<b>\$ 45,075</b>	<b>\$ 45,976</b>	<b>\$ 46,894</b>
<b>TRANSFERS SUMMARY</b>					
Transfers To/(From) Capital Sources	\$ 24,226	\$ 26,609	\$ 29,685	\$ 29,543	\$ 29,386
Transfers To/(From) Operating Sources	(7,231)	(4,468)	(1,541)	(1,315)	(1,281)
<b>TOTAL TRANSFERS</b>	<b>\$ 16,995</b>	<b>\$ 22,141</b>	<b>\$ 28,144</b>	<b>\$ 28,228</b>	<b>\$ 28,105</b>
<b>NET ROADS &amp; TRAFFIC</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>