



## 2016 Annual Report

Report on Municipal Objectives  
Report on 2016 Municipal Services and Operations  
2016 Audited Financial Statements



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Orca T11A: Diane Wilson

Fishboat Basin: Diane Wilson

Dock at Sooke Basin: Patti Rear

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Dear residents and business owners,

On behalf of the District of Sooke, it is my pleasure to introduce the 2016 Annual Report. **The Annual Report is an opportunity to look back at the past year's successes, reflect upon our challenges, and provide a statement on our municipal objectives for the coming year.**

Some of the highlights of 2016 include the acquisition of strategically-placed land on Wadams Way and the completion of multi-use trails at Sooke River Road and in John Phillips Memorial Park. Operational highlights include both the Parks and Wastewater operations of the municipality being transitioned to in-house services, fire department equipment upgrades, and updated technology in Council Chambers.

When combining our efforts with community partners and other levels of government, strides have been made towards improving community services. In partnership with the Vancouver Island Regional Library, a new community library facility will be built on the Wadams Way land. SEAPARC recently took over operations of the Demamiel Creek Golf Course, and the Capital Regional District purchased land within the District of Sooke to protect chinook salmon habitat in the Sooke River, as well as infrastructure upgrades in the Sea to Sea Regional Park at Harbourview.



Maja Tait, Mayor

Advocacy work continues for improvements to Highway 14 and some recent successes include improved line painting, a digital sign at the four-lanes and an upcoming corridor study. The bi-annual Sooke Region Health Summit was held in 2016 and work continues towards establishing a regional community health facility to meet the needs of our growing community.

Improvements to municipal plans and operations are underway, and a update of the Community Grant Program saw a more streamlined and inclusive process for community groups this past year. The Official Community Plan is currently being updated, with comprehensive community engagement taking place throughout the latter half of 2016 to ensure residents had an opportunity to help shape the future of Sooke. A need for improved communication has also been articulated to Council and plans for better connecting with Sooke residents are a priority for myself, Council and municipal staff.

**Sooke is a very busy and dynamic place; the new federal census data shows us as one of BC's fastest growing communities.** With that growth comes a need for improved infrastructure, diversified services, and long-range planning to ensure our future generations can enjoy the same great quality of life that Sooke residents know and love. I look forward to continuing to work with staff, Council, and residents towards building a bright and healthy future for our community.

Your sincerely,



## Council Members

Mayor Maja Tait



### 2016 Appointments

- Victoria Regional Transit Commission, Member
- Union of BC Municipalities, Third Vice President
  - **President's Committee**
- Healthy Communities Committee, Vice Chair
- Capital Regional District Board, Director
- Capital Regional District Hospital Board, Director
- Capital Regional District committees:
  - Integrated Resource Management Advisory Committee, Chair
  - Hospitals and Housing Committee, Vice Chair
  - First Nations Special Task Force on First Nation Relations, Vice Chair
  - Environment Services Committee, Director
  - Regional Parks Committee, Director
- **District of Sooke and T'Sou-ke Nation MOU Working Group**
- Primary Health Working Services Group, Chair
- Te'mexw Treaty Advisory Committee, Vice-Chair
- SEAPARC—Sooke and Electoral Area Parks and Recreation Commission, Director

Elected as Mayor in 2014 and Councillor in 2008 and 2011

[mtait@sooke.ca](mailto:mtait@sooke.ca)

Councillor Bev Berger



### 2016 Appointments

- Community Grant Review Committee
- Sooke and Electoral Area Parks & Recreation Commission
- Capital Regional District Board, Alternate
- Capital Regional District Hospital Board, Alternate
- Juan de Fuca Water Distribution Commission, Alternate
- Funding Partners Council—Regional Economic Development

Elected as Councillor in 2008, 2011, and 2014

[bberger@sooke.ca](mailto:bberger@sooke.ca)

Councillor Rick Kasper



### 2016 Appointments

- Hiring Committee
- Acting Mayor, March 2016
- Capital Regional Water Supply Commission
- Capital Regional District Board, Director (Jan to Aug 2016)/Alternate
- Capital Regional District Hospital Board, Director (Jan to Aug 2016)/Alternate
- Sooke and Electoral Area Parks and Recreation Commission, Director (Jan to Aug 2016)/Alternate

Elected as Councillor in 2005, 2011 and 2014

[rkasper@sooke.ca](mailto:rkasper@sooke.ca)

Councillor Ebony Logins



## 2016 Appointments

- Sooke Community Centre Advisory Committee
- Climate Change Action Committee
- Capital Regional District-Climate Action Steering Committee
- **District of Sooke and T'Sou-ke Nation MOU Working Group**
- Sooke Region Tourism Association
- Victoria Family Court Committee & Youth Justice Committee
- Wildlife Conflict Reduction Working Group
- Vancouver Island Regional Library Board, Alternate

Elected as Councillor in 2014

[elogins@sooke.ca](mailto:elogins@sooke.ca)

Councillor Brenda Parkinson



## 2016 Appointments

- Sooke Parks and Trails Advisory Committee
- Sooke Program for the Arts (SPA) Committee
- Sooke Emergency Planning Committee
- Capital Regional District Regional Housing Trust Fund Commission
- Capital Regional Water Supply Commission, Alternate
- Capital Regional District Climate Action Steering Committee, Alt
- CRD MOU Working Group
- **District of Sooke & T'Sou-ke Nation MOU Working Group**
- Sooke Region Historical Society, liaison
- Te'mexw Treaty Advisory Committee, Alternate

Elected as Councillor in 2005 and 2014

[bparkinson@sooke.ca](mailto:bparkinson@sooke.ca)

Councillor Kevin Pearson



## 2016 Appointments

- Hiring Committee
- Juan de Fuca Water Distribution Commission
- Off Road Vehicle Local Government Working Group

Elected as Councillor in 2011 and 2014

[kpearson@sooke.ca](mailto:kpearson@sooke.ca)

Councillor Kerrie Reay



## 2016 Appointments

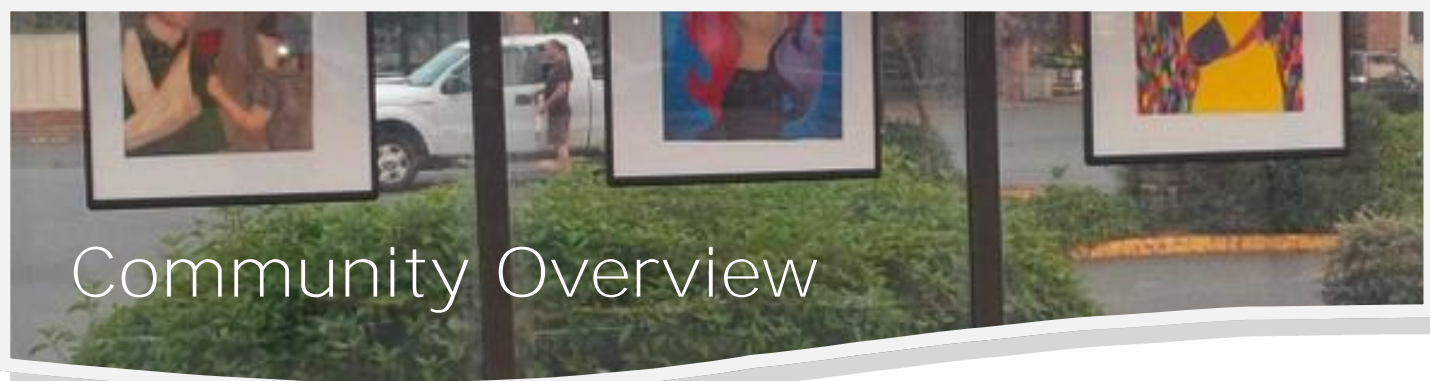
- Community Grant Review Committee, Chair
- Hiring Committee, Chair
- Long Term Financial Planning Committee
- Acting Mayor, January and February 2016
- Vancouver Island Regional Library Board, Trustee
- Sooke Community Association, liaison
- Capital Region Emergency Services Telecommunication (CREST), Director
- Sooke and Electoral Area Parks & Recreation Commission, Alternate

Elected to Council in 2011 and 2014

[kreay@sooke.ca](mailto:kreay@sooke.ca)







# Community Overview

Overlooking Sooke Harbour and Sooke Basin, the District of Sooke is located within the tribal **territory of the T'Sou-ke peoples. Sooke's boundary is encompassed by the beauty of the** Strait of Juan de Fuca, Sooke hills and Olympic Mountain range, The municipality is located on Vancouver Island, 45 kilometers west of Victoria, the capital city of British Columbia.

Residents enjoy a relaxed, casual lifestyle in a rural setting that also affords many of the **amenities of city life. We are neighbours with the T'Sou-ke Nation**, the communities of Otter Point, East Sooke, Shirley, Jordan River and Port Renfrew, and Metchosin.

## Economy and Business

Sooke's once resource-dependent economy has shifted focus to include many home-based businesses, a commercial core, and a bustling tourism sector which entertains thousands of visitors each year. Sooke residents work locally, throughout the Capital Region and beyond.

Sidewalks, bike lanes and a trail network are complimented by the regional Galloping Goose trail, which connect neighbourhoods, natural areas, and business. Sooke hosts many ecotourism adventures and is a gateway to the West Coast Trail and the Juan de Fuca Marine Trail.

## Recreation

Sooke enjoys some of the mildest climate in western Canada, with warm dry summers, and wet mild winters, allowing residents and visitors alike to enjoy many recreational amenities.

Within Sooke, these include DeMamie Creek Par 3 Golf Course, Whiffin Spit Park, Sooke Park, Sooke River Campground, Sooke Potholes Park and campground, Rotary Skateboard Park, Sunriver Community Garden, and the SEAPARC Leisure Complex, which includes an ice arena, aquatic centre, golf course, bike park, and recreational programs. The Sooke Community Association provides ball and soccer fields as well as a tennis court for Sooke residents to enjoy. **There's even a horseshoe pitch by the Sooke River.**



## Arts, Music and Culture

Sooke supports a vibrant and varied arts community. Many talented artists and craftspeople create beautiful works from both home-based studios and galleries in the town centre.

Musicians of every genre, from symphonic to choral to bluegrass, perform at a variety of events throughout the year. They share the stage with an enthusiastic theatre community at many venues — Edward Milne Community Theatre, Ed Macgregor Park outdoor amphitheater, community hall, and local churches and parks.

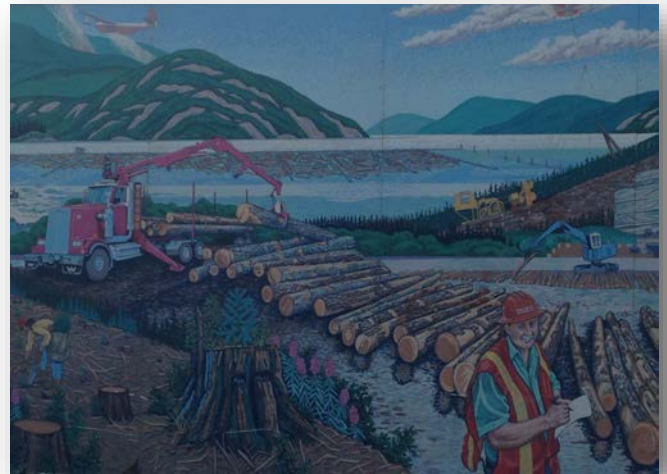


Photo credit: Canada Day Sooke

## Community Events and Organizations

The volunteer spirit pulls residents and visitors together for numerous special events like the Rotary Spring Fair, Sooke Canada Day celebration, Sooke Fine Arts Show, Sooke **Philharmonic Orchestra "Fling"**, Sooke River Bluegrass Festival, and Sooke Fall Fair to name a few.

The volunteer spirit doesn't end with special events. Hundreds of residents share their time and talents with dozens of community groups offering something special for their fellow residents.



Community Statistics	2011	2016
Population:	11 435	13 001
Population change:	17.9% from 2006	13.7% from 2011
Average age:	40.8 (median)	41 (average)
Children under 15:	2 215	2 325
65 years and over:	1460	2 150
Density:	201.6 per km <sup>2</sup>	229.6 per km <sup>2</sup>
Total private dwellings:	4986	5599





Through the 2016 Strategic Plan, Council identified the following priorities for its four year term. These priorities lay the foundation for work plans for this period.



**FISCAL SUSTAINABILITY** - THE DISTRICT WILL WORK TOWARDS LONG-TERM FINANCIAL SUSTAINABILITY. IT WILL PREPARE FOR THE FUTURE BY ENSURING ADEQUATE CONTRIBUTIONS ARE MADE TOWARDS REQUIRED LONG-TERM CAPITAL INFRASTRUCTURE NEEDS, WHILE LIVING WITHIN OUR MEANS.

- PROACTIVELY PLAN FOR REPLACEMENT OF OUR INFRASTRUCTURE
- DETERMINE LEVELS OF SERVICE AND PROPERLY FUND
- BUILD CAPACITY IN OUR COMMUNITY BY SUPPORTING INITIATIVES THAT SUPPORT SUSTAINABILITY



**EXCELLENCE IN MANAGEMENT AND GOVERNANCE**- THE DISTRICT WILL USE BEST PRACTICES TO ENSURE EXCELLENCE IN MANAGEMENT AND GOVERNANCE

- FOCUS ON GOOD GOVERNANCE
- ENHANCE OUR COMMUNICATION WITH OUR RESIDENTS
- ENSURE WE ARE PROPERLY STRUCTURED AND RESOURCED TO MEET THE COMMUNITY'S NEEDS



**COMMUNITY PLANNING**- THE DISTRICT WILL WORK TOWARDS STREAMLINING PLANNING PROCESSES TO ENCOURAGE INVESTMENT AND JOB GROWTH IN THE COMMUNITY.

- OUR OFFICIAL COMMUNITY PLAN IS CRITICAL TO OUR COMMUNITY VISION AND WE WILL ENSURE IT STAYS CURRENT
- ENSURE OUR BYLAWS REFLECT COMMUNITY NEEDS AND VALUES



**ECONOMIC PROSPERITY** - THE DISTRICT WILL WORK TOWARDS DEVELOPING APPROPRIATE MECHANISMS TO FACILITATE AND PROMOTE LONG-TERM COMMUNITY ECONOMIC PROSPERITY.

- PROACTIVELY PURSUE ECONOMIC OPPORTUNITIES
- FOCUS ON BEING CONSISTENT IN OUR DECISION MAKING
- ENSURE OUR CRITERIA ARE REFLECTIVE OF OUR COMMUNITY'S NEEDS
- IMPROVE OUR CUSTOMER SERVICE FOCUS



**ENHANCING COMMUNITY LIVABILITY** - THE DISTRICT WILL WORK TOWARDS MAKING SOOKE A VIBRANT AND ACCESSIBLE COMMUNITY

- FOCUS ON MAKING THE TOWN CENTRE VIBRANT AND ACCESSIBLE
- IMPROVE OPPORTUNITIES FOR RESIDENTS TO GATHER AND CONNECT
- TAKE STEPS TO PROTECT SOOKE'S NATURAL BEAUTY





# Municipal Objectives

Based on Council's strategic priorities identified in the 2016 Strategic Plan shown below, Council developed its 2017 and 2018 work plan objectives and the measures that will be used to determine progress respecting those objectives.

These 2017 and 2018 objectives are set out in the following pages along with progress on 2016 objectives.

## 2016 Strategic Priorities:



Fiscal Sustainability



Excellence in Management & Governance



Community Planning



Economic Prosperity



Enhancing Community Livability



## Strategic Priority: Fiscal Sustainability

Municipal Objective	Timing Goal	Current Status	Success/Measure
Asset Management Plan: • Implementation and transfer of data to new software system	2016-2017	Completed	Staff are using new system instead of excel based system.
Asset Management Plan: • Parallel systems ready to operate for financial statements	2017-2018	Ongoing	Auditors work from new system for audit of 2017 Financial Statements. Clean audit opinion achieved.
Asset Management Plan: • Development of asset management plan	2017-2018	Ongoing	Asset Management Plan presented to Council before completion of audit of 2017 financial statements.
Asset Management Plan: • Fire apparatus replacement plan	Ongoing	In Progress	Fire apparatus data compiled and entered into software system. Fire apparatus replacement Plan to be presented in the fall of 2017.
Long Term Financial Plan: • Affordable sustainability must take into account infrastructure maintenance, safety services, operations as well as funding community programs	Ongoing	Ongoing	Council approves Five Year Financial plan annually. Staff have developed longer term plans as part of asset management plan.
Fire Service Level: • Established fire service level under the Fire Commissioner's Playbook in 2017	2016-2017	Completed	Full service level policy adopted by Council in 2016.
Fire Service Level: • Review department resources	Ongoing	Ongoing	Resources reviewed on an annual basis.
Police Service Level: • Explore the optimum level of security in the community; New RCMP member requested	2016-2018	Completed	New member established for 2017. Second new member requested for 2018. Police Cost Reserve fund established by bylaw in 2016.
Review service contracts: • Ensure all contracts provide value for money • Review fee for service agreements (e.g. Chamber, SRTS, SCA, SRHS, CHI) • Evaluation of performance indicators	Ongoing	Ongoing	All contracts reviewed for value in 2016. Fee for service review completed in 2016.
Explore opportunities to work with our neighbours on sewer expansion: • Support in principle for municipal sewer service for T'Sou-ke First Nation—IR2 in conjunction with Whiffin Spit expansion	2016-2018	In Progress	Sewer expansion areas to be confirmed in 2017 Official Community Plan review.
Civic Building Maintenance: • Prepare a building maintenance schedule	2016	Not Started	Requires a building maintenance in-house function. To include in Financial Plan for 2018-2022.

## Strategic Priority: Excellence in Management & Governance



Municipal Objective	Timing Goal	Current Status	Success/Measure
Community Engagement: <ul style="list-style-type: none"> <li>Use of select/task force committees and specific outcomes</li> </ul>	2016-2018	Ongoing	Established as required. Building and Development Standing Committee established in 2017 to improve efficiencies and relationships with development community.
Community Engagement: <ul style="list-style-type: none"> <li>Develop internal and external communication strategy</li> </ul>	2016-2018	In Progress	Council approves communication plan.
Community Engagement: <ul style="list-style-type: none"> <li>Ongoing website improvement; explore other tools</li> </ul>	Ongoing	Ongoing	ICompass Civicweb open government portal web software launched in spring 2017.
Community Engagement: <ul style="list-style-type: none"> <li>Public mapping showing infrastructure and public space information</li> </ul>	Ongoing	Not Started	Greenspace, parks and trails, road mapping existing at sooke.ca. Development of parks and trails brochure in 2017/2018.
Community Engagement: <ul style="list-style-type: none"> <li>Digitally share information used for open houses and public information meetings</li> </ul>	Ongoing	Ongoing	Open house and meeting information made available at sooke.ca. Official community plan consultation in fall/winter 2016.
Community Engagement: <ul style="list-style-type: none"> <li>Council resolution tracking</li> </ul>	Ongoing	Completed	Searchable minutes online through Icompass Civicweb portal in 2017. Resolution tracking system in place in May 2017.
Community Engagement: <ul style="list-style-type: none"> <li>Continue public information meetings twice per year</li> </ul>	Ongoing	Ongoing	Mayor's open house and Talktober held in 2016. Rotary Auction booths in 2016 and 2017. Parks plans opening in 2016.
Records Management: <ul style="list-style-type: none"> <li>Conversion of antiquated files</li> </ul>	2015-2018	Completed	All development files converted from microfiche to digital in 2016.
Records Management: <ul style="list-style-type: none"> <li>Implementation of electronic records management</li> </ul>	2015-2018	Completed	Staff training complete, records management system in place in 2016.
Records Management: <ul style="list-style-type: none"> <li>Upgrade electronic devices/tools to enhance service</li> </ul>	2015-2018	In Progress	Records management software updates in 2017.
Records management: <ul style="list-style-type: none"> <li>Implement online application forms</li> </ul>	2015-2018	Completed	Online application processes completed in 2016 with fillable PDF forms.

Municipal Objective	Timing Goal	Current Status	Success/Measure
Comprehensive staffing review: <ul style="list-style-type: none"> <li>Develop organization succession plan</li> </ul>	Ongoing	In Progress	Development of succession/training plan to be initiated in 2017.
Comprehensive staffing review: <ul style="list-style-type: none"> <li>Ensure adequate staffing levels to provide desired service level</li> </ul>	Ongoing	Ongoing	Human resources assistant position established in 2016. Staffing levels determined through annual five year budget process.
Comprehensive staffing review: <ul style="list-style-type: none"> <li>Enhance individual performance improvement program</li> </ul>	Ongoing	In Progress	Development of performance review process to be initiated in 2017.
Develop corporate performance measures: <ul style="list-style-type: none"> <li>Strategic Plan</li> </ul>	Ongoing	Ongoing	2016 Strategic plan developed in 2015. Performance review each year through annual report.
Develop corporate performance measures: <ul style="list-style-type: none"> <li>Financial Plan</li> </ul>	Ongoing	Ongoing	Updated through annual budget process and bylaw.
Risk Management: <ul style="list-style-type: none"> <li>Review policies to minimize liability</li> </ul>	2016	In Progress	Recommendations of annual risk assessments implemented. Policy updates to reduce risk related to public infrastructure ongoing.



Sooke Harbour Marina

Photo credit: Patti Rear



## Strategic Priority: Community Planning



Municipal Objective	Timing Goal	Current Status	Success/Measure
Official Community Plan Review	2016	In Progress	First phase of community input in fall and winter 2016. First draft of OCP to be presented in mid-2017.
Ongoing review and amendment of bylaws and policies with priority to regulatory bylaws	Ongoing	Ongoing	Updates prioritized. Bylaws and policies amended or re-written and presented for Council approval.
Bylaw review: <ul style="list-style-type: none"> <li>Animal Regulation and Impounding Bylaw</li> </ul>	Ongoing	Completed	Updated in 2015.
Bylaw review: <ul style="list-style-type: none"> <li>Building Regulation Bylaw</li> </ul>	Ongoing	In progress	Presented to Council prior to December 31, 2017 (per BC Building Act changes).
Policy review: <ul style="list-style-type: none"> <li>Community Amenity Contribution Policy</li> </ul>	Ongoing	In Progress	To be presented to Council mid-2017 for policy direction.
Bylaw review: <ul style="list-style-type: none"> <li>Zoning Bylaw</li> </ul>	Ongoing	Not Started	To follow Official Community Plan review.
Development Cost Charges Bylaw review and amendment for sanitary sewer and roads	2016-2017	Not Started	To follow after sewer expansion area determined in Official Community Plan.

## Strategic Priority: Economic Prosperity



Municipal Objective	Timing Goal	Current Status	Success/Measure
Continue to support Municipal and Regional District Tax (MRDT) application for destination marketing	2016-2018	In Progress	Depends on local industry partners submitting a marketing/business plan. Once plan is received then success measure will be District support of application to the Province and ultimate implantation of MRDT tax.
Review economic development initiatives - proposed regional model	2016-2018	In Progress	



Photo credits: Diane Wilson

## Strategic Priority: Enhancing Community Livability



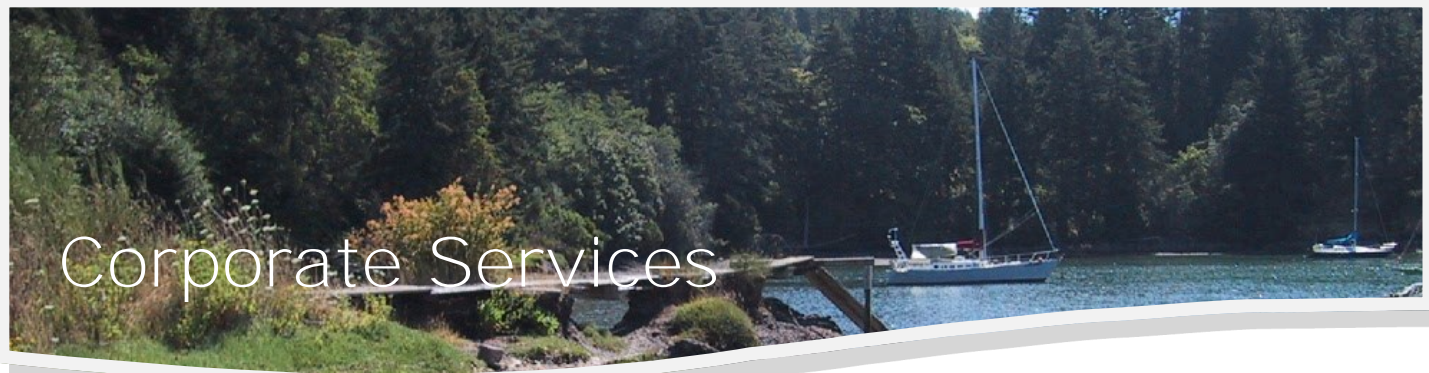
Municipal Objective	Timing Goal	Current Status	Success/Measure
Town Centre Development: <ul style="list-style-type: none"> <li>Explore and implement development of Goodmere Road</li> </ul>	2016-2018	In Progress	Engineering drawings of final alignment expected to be completed in mid-2017.
Town Centre Development: <ul style="list-style-type: none"> <li>Development west side Town Centre from Otter Point</li> </ul>	2016-2018	In Progress	First phase sidewalk and multi-use trail installed in 2016. Second phase sidewalk/trail construction in 2017.
Community Gathering Spaces: <ul style="list-style-type: none"> <li>Locate community gathering spaces in Town centre and incorporate wayfinding signs, benches, public art</li> </ul>	Ongoing	Ongoing	
Community Gathering Spaces: <ul style="list-style-type: none"> <li>John Phillips Memorial Park and Sooke River Road Park Plans</li> </ul>	2016	Completed	John Phillips Memorial Park and Galloping Goose connector trail and Sooke River Park plans completed in 2016 after public consultation.
Town Centre Access and Servicing Plan: <ul style="list-style-type: none"> <li>Road access and connectivity</li> </ul>	2017	In Progress	Town centre roundabout construction completed in 2016. Engineering drawings to be completed in 2017.
Town Centre Access and Servicing Plan: <ul style="list-style-type: none"> <li>Parking</li> </ul>	2017	Completed	Two public parking areas created through lease arrangements.
Town Centre Access and Servicing Plan: <ul style="list-style-type: none"> <li>Servicing (sanitary sewer &amp; drainage)</li> </ul>	2017	Ongoing	Will be established as development occurs.
Town Centre Access and Servicing Plan: <ul style="list-style-type: none"> <li>Waterfront Access: explore and implement ways to improve waterfront access for residents and visitors &amp; identify and maintain water access points and pocket parks</li> </ul>	2016	Ongoing	Will occur through private development. In 2017, waterfront accesses identified for potential upgrading.
Town Centre Access and Servicing Plan: <ul style="list-style-type: none"> <li>Investigate programs for Town Centre beautification: improving existing buildings and link to Town Centre Design Guidelines</li> </ul>	2016-2018	Not Started	<i>Town Core Revitalization Bylaw</i> in place from 2009. <i>Town Centre Illustrative Design Handbook</i> adopted in 2014.
Town Centre Access and Servicing Plan: <ul style="list-style-type: none"> <li>Murray Road Improvements including drainage works</li> </ul>	2017	In Progress	Expected to proceed with construction and drainage improvements in 2017.

Municipal Objective	Timing Goal	Current Status	Success/Measure
Community Facilities: Library <ul style="list-style-type: none"> <li>Continue to support Vancouver Island Regional Library for the construction of a new library in Town Centre</li> </ul>	Ongoing	In Progress	Property purchased in 2016. Rezoning process in 2017.
Community Centre Facilities: <ul style="list-style-type: none"> <li>Finalize plans for community facilities</li> </ul>	2016	Not Started	
Community Facilities: <ul style="list-style-type: none"> <li>Encourage community gardens</li> </ul>	Ongoing	Ongoing	Encouraged through private development in the Official Community Plan.
Trail Network: Enhance community public space profiles: <ul style="list-style-type: none"> <li>Enhance connectivity</li> <li>Public safety and maintenance</li> <li>Park naming and appropriate signage</li> <li>Wayfinding signage</li> <li>Public space brochures</li> <li>Public awareness campaign</li> </ul>	Ongoing	Ongoing	Connectivity trails constructed in 2016. Wayfinding signage program initiated in 2016. Parks maintenance ongoing with in-house services established in 2016. Operations and inspection schedule to be developed in 2017 to improve public safety in public places.
Develop policy for bylaw enforcement for consistency in bylaw enforcement <ul style="list-style-type: none"> <li>Business licences</li> <li>Unightly premises</li> <li>signs</li> </ul>	2016-2017	In Progress	Update enforcement process for unsightly premises in 2017; improve business licence application process for efficiency in 2017/2018.
Environment: <ul style="list-style-type: none"> <li>Liquid Waste Management Plan requires bylaws and policies; implement actions in accordance with Provincial requirements</li> </ul>	2016-2017	Ongoing	Source control and sewer policies in place.
Environment: <ul style="list-style-type: none"> <li>Reduce illegal dumping</li> </ul>	2016-2017	Not Started	
Health Care: <ul style="list-style-type: none"> <li>Support primary health care initiatives</li> </ul>	Ongoing	Ongoing	Resolution successfully presented to CRD in spring 2017 calling on the CRD, Island Health and Ministry of Health to support a regional health care facility in Sooke.
Regional Transportation: <ul style="list-style-type: none"> <li>Support improvements to Highway 14 transportation corridor</li> </ul>	2017-2018	Ongoing	Lobby Ministry of Transportation and Infrastructure for highway improvements and alternate routes. Council support for #Dividedby14 campaign in 2017.









# Corporate Services

The Corporate Services team provides key services to the Chief Administrative Officer (CAO), Corporate Officer, and Council, all staff, and the community. These services include Council and committee meeting management, legislative services, public reception, records and public access, corporate communications, bylaw enforcement, and business licensing.

## 2016 Successes

- Implemented large screen display for council motions at Council meetings and new configuration for the council chamber
- Facilitated opportunities for public feedback to **Council members and staff at Mayor's open house, Talktober event, and the Rotary Auction**
- Departmental re-organization including support positions for Mayor and Chief Administrative Officer and a new Human Resources Assistant position
- Implementation of iCompass software to improve meeting management
- Two remedial action bylaw enforcement files were closed successfully
- Compliance for boat launch parking through warning tickets



Talktober 2016



Celebrating the Galloping Goose connector trail along Sooke River Road

Bylaw Enforcement	2014	2015	2016
Bylaw Complaints	240	222	233
Parking Complaints	n/a	88	97
Business Licence Complaints	4	10	11

Business Licenses	2014	2015	2016
Issued	613	718	663

Freedom of Information Requests	2014	2015	2016
Received	11	22	22







The Financial Services Department is responsible for the financial administration of the District of Sooke and management of its information technology, mapping and land record systems. The department is staffed by a Director (Financial Officer), two accounting assistants, an IT Systems Specialist, the Head of Geographic Services and a GIS/Lands Records Analyst. Specific responsibilities include:

- Financial planning, reporting, analysis and advice
- Property Taxes
- Permissive Tax Exemptions
- Accounting and payroll
- Asset Management
- Mapping
- Land Records
- System of internal controls
- Cash management, including investments and debt functions
- Risk Management and claims
- Community grants administration
- Preparation of financial statements for audit
- Statement of Financial Information (SOFI) Report
- Home Owner Grant Act and School Act compliance reports for audit
- Gas Tax, Climate Action and other required provincial reporting

## Property Taxes

There were 6,162 property tax notices prepared in 2016 compared with 6,062 in the previous year. Of the 6,612 total, 11 tax notices were prepared for international addresses, 32 for USA addresses, and 6,118 for Canadian addresses. As of December 31, 2016 94% of the folios billed in 2016 had been collected.

The Pre-Authorized Withdrawal (PAWS) method of property tax payment has increased to 336 users from 324 in 2015, and increase of 4%. We hope more taxpayers will continue to take advantage of this convenient payment method. The Finance Department webpage on the District's website has information on how to apply for this monthly withdrawal program.

The District processed 3,759 Home Owner Grant applications in 2016, of which 1,629 were submitted electronically (eHOG). This compared with 3,697 in total for 2015 of which 1,485 were electronic submissions. The increase in eHOG submissions of 14% is encouraging and we will continue to promote this method as a more convenient method for the taxpayer to ensure their Home Owner Grants are claimed and submitted on time. **The District's Online Services page contains access to the electronic home owner grant form and to property information reports (tax levies by property).**

## Invoice and Payment Processing

Financial Services staff reviewed and processed 2,921 invoices in 2016, and increase of 13% from the 2015 amount of 2,576. This increase is largely due to the District bringing the sewer operations in house in October 2016. Projected over the entire year this could result in an increase of 54% in the number of invoices being processed for 2017. This does not include the impact of the new Parks department.

Along with the increase in invoice processing, the amount of payments processed in 2016 also increased by 13% with 2,122 payments (cheques and EFTs) compared to 1,885 in 2015. Projected over the full year this would result in an approximate 50% increase in payment processing activities.

## Payroll and Benefits Processing

The addition of new staff for the sewer operations, parks department and normal staff turn-over and departures resulted in a busy year for payroll and benefits processing. As of January 1, 2017 the District had 34 regular staff members (31 as of January 1, 2016).

Each bi-weekly regular payroll results in approximately 400 transactions being processed (approx. 12 per regular employee). Over the course of 26 pay periods this is approximately 10,400 regular payroll transactions processed and reviewed by staff.

Staff also processes payroll for approximately 20-40 part-time employees each bi-weekly pay period. This results in approximately 85 transactions per pay period and over 2,000 transactions for the year.

During the year staff successfully implemented a new payroll module and upgraded its timekeeping and leave management system. This has improved the reporting capabilities of the payroll system and will allow finance staff to more efficiently manage the payroll process.

## Banking and Investments

Banking transactions for 2016 totalled 2,840 compared with 2,637 in 2015. This represents an increase of 8% and is largely due to the increased number of cheques being written due to the change in operations discussed earlier. Each of these transactions forms part of monthly bank reconciliations performed and reviewed by staff.

The District maintains investment accounts with the Municipal Finance Authority (MFA). Cash flow requirements are monitored by staff on a regular basis and requests for draws on funds, or for new investments, are placed as required. Cash flow fluctuates depending on operating requirements and timing of capital projects.

The MFA Intermediate Fund earned 1.13% for 2016 after fees (MFA benchmark FTSE TMX Canada 365-Day Treasury Bill Index earned .32%) and the Money Market fund earned .79% (MFA benchmark FTSE TMX Canada 30-day T-Bill Index earned .32%).

Staff have conducted a review of investment alternatives and will be preparing a report to Council during 2017 on whether the funds being invested should be placed with another institution to maximize returns. This decision needs to be weighed against possible additional staff costs and with liquidity concerns. Example rates being offered at other institutions range from 1.2% to 1.55% for term deposits cashable after 30 days notice. Improved cash flow forecasting could allow the District to earn even better rates since longer term amounts could be invested at rates approximating 1.7% (fixed for one year). Changing the investment strategy on reserve balances could possibly yield an additional \$15,000 to \$20,000.

## Information Technology

**2016 was a very busy year for the District's** IT staff member. The year began with the installation of new server infrastructure to replace aging hardware. This was followed by mobile inspection software coming online to **streamline the building inspectors' workflow.**

In the spring the District moved to Office 365, providing a Canadian cloud based platform for email and to work on documents. This was followed by significant **improvements to the District's Payroll** system.

The most substantial impact to IT was bringing the sewer operations in house. This change resulted in the District going from one network location to eight (including lift stations) and a 24/7 work environment. The new parks location at Kaltasin has added **another network site to the District's growing** IT infrastructure environment.

Many new IT supplier relationships were necessary as a result of the sewer operations coming in-house. This has resulted in new software and hardware additions and increased demand on the IT staff member to manage these support systems.



Sooke River Road connector trail at Kirby Road

Photo credit: District of Sooke

## Financial Reporting

Budget to actual reporting was significantly improved in 2016 with the implementation of reporting directly linked to the financial software. This has allowed for weekly reports to be created and distributed to the leadership team and staff. This timely and complete reporting will assist staff in managing their budgets and will also allow for timely reporting to Council and the public .

## Performance Measures

Financial Services staff are developing performance measures which will be used for performance reporting going forward. Measures being considered include:

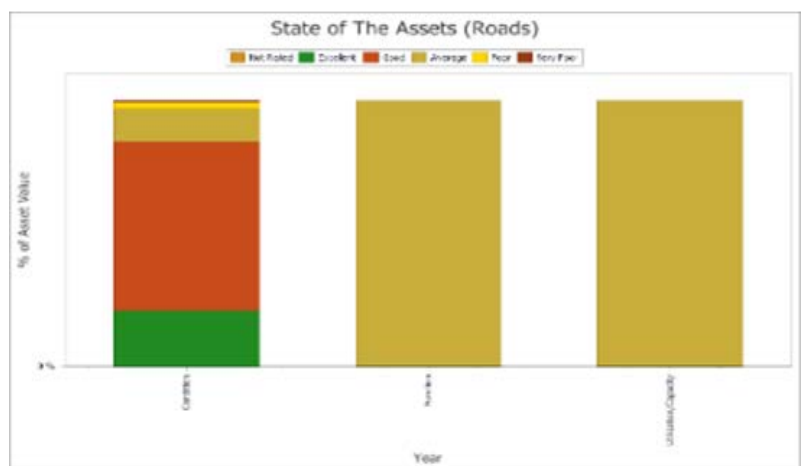
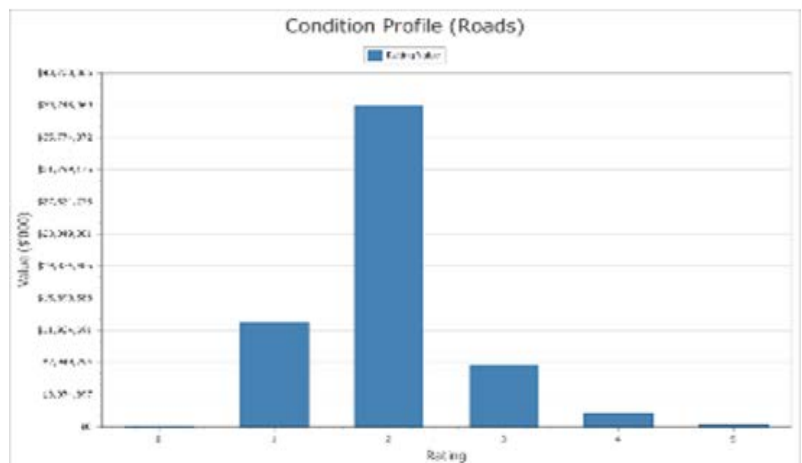
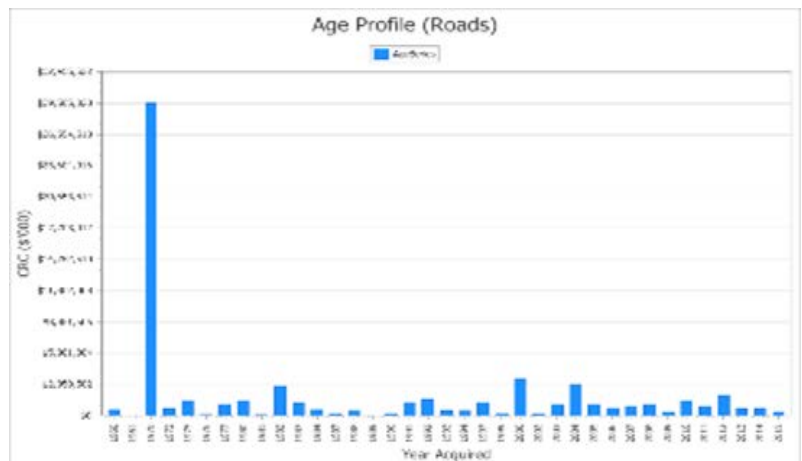
- Net Assets or Net Debt as a percentage of municipal taxes and fees (indicates how much tax and fees are servicing debt)
- Total reserves and surplus as a percentage of operating expenses (indicates how much funds are set aside for future needs)
- Debt serving cost as a percentage of operating revenue (indicates how much of each dollar raised is spent on debt)
- Taxes receivable (less allowances) as a percentage of taxes levied (indicates **collection problems or taxpayers' inability** to pay)
- Cash and investments as a percentage of operating expenses (indicates ability to pay unexpected costs on short notice)
- Net working capital as a percentage of operating expenses (indicates whether there is sufficient working capital to meet short term demands)
- Replacement cost of capital assets as a percentage of historical cost (indicator of possible infrastructure gap)

# Geographic Information Systems and Asset Management

The District of Sooke municipal Geographic Information System (GIS) is the framework for providing mapping information to District of Sooke staff and to the public. The GIS is a suite of software with modules for desktops and for servers. Integrated with the Asset Management database and the Tempest Land Records database, the GIS provides a spatial context for projects in the Administration, Building, Bylaw, Engineering, Finance, Parks, Planning, Protective Services, and Wastewater Management departments.

The GIS desktop module is used to edit, maintain, analyse, and publish the spatial data on maps. The GIS enables staff to digitise features from survey plans, aerial photography, or to import from external data formats. Map documents are created by combining the features into symbolized layers that can be printed, published to a digital PDF map, or displayed on an interactive web map. The GIS server module stores the spatial features in GIS databases describing the location of properties, structures, infrastructure, environmental features, zoning and administrative boundaries, parks, watercourses, and aerial photography.

The public web map, available at the web address <http://gis.sooke.ca>, includes properties, addresses, roads, green spaces, and watercourses. A variety of thematic maps including zoning maps, a **zoning booklet**, and a **"Sooke Street Map"** are also available as downloadable PDFs



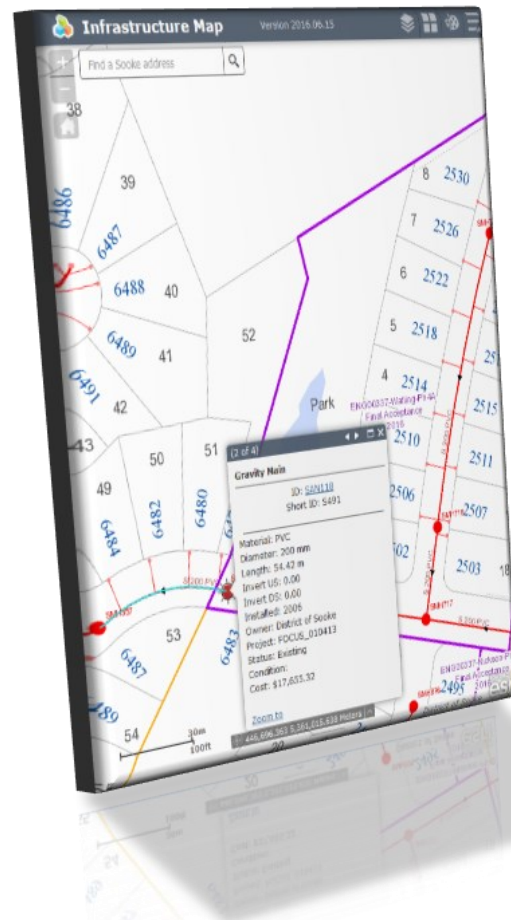
## Asset Management System

The location of each municipal infrastructure asset is digitised into the GIS asset management system from survey plans and engineering drawings. Infrastructure assets are grouped into different categories (*i.e.*, Roads, Sidewalks, Streetlights, Sanitary Sewer, Storm Drainage, Park Trails, *etc.*).

For each asset feature, the database records a historic purchase cost, its current condition, expected useful life, and an estimate of the current replacement cost. Updates of the asset condition are monitored in the field by staff and recorded in the asset management system.

In 2016, District staff attended a workshop presented by NAMS Canada on preparing asset management plans. The National Asset Management Strategy (NAMS) program provides the software tools to create an asset register, record asset condition and performance, identify critical assets, and optimize the decision-making process to evaluate the value and functionality of the **municipality's infrastructure assets**. The resulting NAMS reports and charts present asset class information including useful life, replacement costs, and condition assessment in a consistent manner.

The NAMS reports will supplement the asset management system and the annual financial reporting already in place. Currently, annual asset management reports are created for each asset category to provide a reconciled continuity schedule for the regular annual financial audit.



## Tempest Land Records Management System

The Tempest Land system contains the detailed records for lands within the District of Sooke. Each land record in Tempest has an identifier that relates to a property in the GIS, allowing staff to select properties, determine attributes, provide analysis, and support public inquiries and development applications such as Subdivision, Rezoning, and Building Permits.

Regular updates from BC Assessment (*e.g.*, new subdivisions, ownership, and property descriptions) are loaded into the Tempest system and related to property data within the GIS.

Also in progress is the conversion of historic property information records from microfiche to digital files. Currently, 3500 digitised microfiche files have been received and remain to be attached to the Tempest Land records.







Development Services carries out land use planning, development and engineering services, wastewater management, calls for service, environmental services GIS, and building permit services.

## 2016 Successes

- Road improvements to Grant Road, Woodlands Road, Church Road, Brownsey Boulevard and Goodmere Road
- Remediation of chronic drainage problems, including Woodland Road, Otter Point Road, Gillespie Road and Eakin Road
- Pedestrian walkways on Church, Phillips, Golledge, Grant Roads
- First phase walkway on West Coast Road from Shields to Caldwell Road
- Transit stop improvements
- Continued expansion of trail system
- Replacement of the Sun River staircase accessing the Sooke River
- Initiated five year review of the Official Community Plan
- Brought the operation and maintenance of the wastewater treatment plant in-house
- Landscaping for the town centre round-about completed

## Major development applications completed in 2016

- First phase of Viewpoint properties Spiritwood
- Successful rezoning of Knox Church property for subsidized housing
- Development permit for Sooke Brewery
- First phase of Sun River seniors development
- Phase 3B of Sun River Estates
- Reactivation of many development projects that were previously on hold



Customer Service	2014	2015	2016
Request for Property Information/Comfort Letters	Not available	258	209
Calls for Service	533	679	651
Engineering applications received (subdivision, highway use, parks use, blasting, soil deposit)	159	206	297
Land Use planning applications received (zoning, development permits, variance permits)	34	63	49



Building Permits	2014	2015	2016
Applications received	195	182	246
Residential permits issued ( <i>single &amp; multi-family</i> )	127	124	163
Other permits issued ( <i>commercial, industrial, demolition oil tank, plumbing, sewer, additional suite, woodstove, decks</i> )	78	58	61
Total Permits Issued	205	182	224
Total New Units Created	165	97	178
Total Revenue	\$318 343	\$251 821	\$386 135



Town centre crosswalk

## Wastewater Treatment and Disposal

The water quality at the edge of the dilution zone (near the discharge point of the outfall) continues to be well within regulatory limits.

Biosolids in the amount of 702,050 kg were extracted by the centrifuge dewatering/solids separation process were trucked to the Hartland Landfill and 10,470 kg of grit and screenings from the headworks building were also hauled to the landfill.

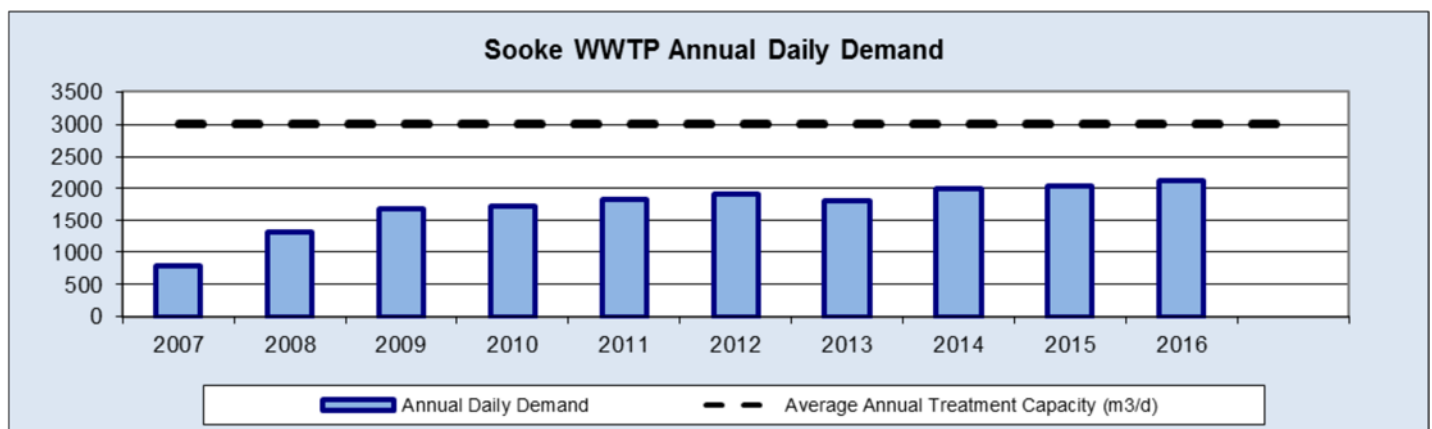
Equipment inspections and preventative maintenance activities were ongoing in 2016.

In 2016, many connections to the sewer system were installed. Flow metering was performed over several months to collect data for the sewer conceptual model and the updated engineering sewer system report.

In 2016, a source control campaign was begun to make residents and businesses to spread awareness of the effects of pollutants and other harmful substances on the sewer system.



## Wastewater Treatment Plant Effluent Flow 2006 – 2016







# Parks, Recreation & Cultural Services

## Municipal Parks

In 2016, successes included the construction of the Galloping Goose connector trail on Sooke River Road, 800m of trail in John Phillips Memorial Park, and a 200m trail linking the boat launch to parking areas along West Coast Road. Wayfinding signage was included in these projects.

The decision was made to bring community parks operations in-house and a parks maintenance staff team was ensembled for the 2017 season.

Greenspace enhancements including additional new benches, and refurbishment of existing assets is ongoing.



Views of the Sooke River estuary from the Galloping Goose connector trail

## Regional Parks and Recreation

**Complimenting Sooke's community parks and trails are Capital Regional District** regional parks and trails, Provincial parks, and the Sooke Community Association playing fields and community hall. Fundraising for a turf field at the Fred Milne Park began in 2016.

The SEAPARC Leisure Complex provides an arena, pool and programs to the Sooke Region. Following the success of the new Sooke bike park in 2015, SEAPARC acquired the deMamie Creek Golf Course in 2016, furthering recreational opportunities in the region.



## Library Services

The Vancouver Island Regional Library serves an important service to the Sooke **Region. Council's strategic priority of supporting the construction of a new library in the Town Centre** took a step forward with the purchase of a library site in 2016.



Volunteers removing invasive Ivy and Scotch broom from Ed Macgregor Park









# Fire Rescue Services

The members of the Sooke Fire Rescue Department take immense pride in fostering a safe and resilient community for the residents of Sooke by providing the following services: emergency preparedness, public education, medical first responder, hazardous material response, technical rescue, inspection and bylaw, and fire suppression.

## 2016 Successes

For the SFRD, 2016 was a record-breaking year. Crews responded to 979 calls, which included a significant increase in medical aid first responder calls.

Rapid land development, accompanied by increased visitor numbers and traffic flow, heavily influenced the number of emergency and non-emergency services that SFRD was called upon to provide.

We continue to rely heavily on our career and volunteer membership to ensure that we meet the needs of our growing community and the region.

Call Type	2014	2015	2016
Fires, all types	57	82	75
MVI and rescue	81	91	98
Complaints	102	122	107
Hazardous Condition	33	57	42
Medical aid first responder	380	498	540
Alarms	43	71	55
Other	19	31	62
Total Calls	715	952	979



Former Fire Chief, W. J. Stephenson joined the Sooke Fire Department in 1948. Bill passed away in 2016.

## Staff and Membership

It was a transition year for the SFRD leadership team with the retirement of several long-standing members including Fire Chief Steve Sorensen and Deputy Chief Rick McLeod.

Membership continued to hold strong with 27 volunteer firefighters, nine volunteer support members five new recruits, 27 volunteer emergency support services, and 5.6 career members.

Members celebrated the life of former Fire Chief, and longest serving active firefighter in BC, Bill Stephenson, who passed away on September 11, 2016. Bill retired in 2010 from firefighting duties.

## Fostering Partnerships

SFRD continues to work closely with emergency services partners through joint training and mutual aid agreements to help minimize costs, maximize resources, and increase levels of service.

Collaboration with provincial and regional emergency preparedness groups strengthen the ability for SFRD to prepare and serve.

## Training

At the core of our success as a department is a robust training and skills development program. Out of the 8,057 combined training hours in 2016, 92% were volunteer hours. All members achieved the established minimum hour requirement for annual training through weekly training nights and multiple weekends.

## Fire Prevention

In adherence with the Fire Services Act, as mandated by the British Columbia Provincial Government and the Office of the Fire Commissioner, fire inspections remain a top priority –127 inspections were undertaken in 2016, including schools, businesses, care homes and public gathering spaces.

Sooke has three certified evaluators who train and evaluate new members in the internationally recognized NFPA 1001 Level 2 standard and provincially required Office of the Fire Commissioner Structure Firefighters Competency and Training Playbook. For the first time, two members of the OH&S Committee attended training exclusively addressing firefighter health and safety in Victoria.

## Emergency Program

Emergency Support Services (ESS) volunteers continue to meet monthly and prepare to assist displaced residents after an emergency or major disaster strikes. The ESS group is in a positive state with 27 members who also receive ongoing training provided by Emergency Management BC (EMBC).

## Community Relations

Hundreds of hours were devoted to public education through station tours and community events such as the Metchosin Fire Expo, Rotary Auction and Canada Day. The Annual Christmas Drive in support of the Sooke Christmas Bureau was a great success, providing much needed support through the holidays. Over \$100,000 was donated in cash and food.

## Apparatus and Equipment Maintenance

Hundreds of hours are logged each year checking and testing apparatus and equipment. Well maintained apparatus and reliable, up-to-date equipment ensures timely response rates and delivers optimum service levels.

Overall the fleet is in satisfactory condition as the department follows a set apparatus replacement program. In 2016, breathing apparatus replacement was begun. The air compressor had reached the end of its life and a preferred vendor was selected through a public RFQ process.



SFRD firefighters extinguishing a house fire on Sooke River Road in 2016.

Quick Facts	2015	2016
Training hours	6000	8057
Emergency calls	952	979
Burning complaints	122	95
Emergency Operations Centre activations	2	0
Community education activity hours	900	600
Fire inspections	383	197
Fire Rescue Budget	\$1.28 million	\$1.24 million
Emergency Preparedness budget	\$25000	\$23 750



Police Services are provided by the Sooke Royal Canadian Mounted Police (RCMP) Detachment for the municipality as well as for the communities of East Sooke, Otter Point, Shirley, Jordan River and Port Renfrew.

The Detachment is served by 15 members, four public servants, and two guards. In addition to their distinctive motor vehicles, the RCMP occasionally utilize bike patrols on a part-time basis.

### 2016 Successes

- Bike patrol implemented
- Council requested second additional officer in 2016
- Police service reserve fund established

Calls for Service/Occurrences	2014	2015	2016*
Sexual assaults	6	9	11
Assaults	61	85	76
Break & enter business	25	25	14
Break & enter residence	37	31	29
Break & enter other	13	10	15
Theft of vehicle	17	16	23
Theft from vehicle over \$5000	0	0	95
Theft from vehicle under \$5000	103	94	
Theft over \$5000	6	10	131
Theft under \$5000	168	125	
Mental Health Act	122	143	226
Mischief/Property Damage over	0	0	172
Mischief/Property Damage under	154	152	
Total	4241	4361	5996*

\* 2016 statistics are for Sooke Region; 2014 and 2015 statistics are for the District of Sooke only



Photo credit: Diane Wilson







Collaboration occurs with other levels of government to streamline services for our residents and leverage resources and expertise. These partnerships help us provide a range of services in a cost effective manner.

Project	Partner	Status
Highway 14 Improvements	Sooke Businesses and residents; Ministry of Transportation and Infrastructure (MoTI)	ongoing
Sooke Health Facility	Capital Regional District, Island Health	ongoing
New library building	Vancouver Island Regional Library	In progress
New turf playing field	Sooke Community Association	In progress
Town Centre Roundabout	Ministry of Transportation and Infrastructure (MoTI)	Landscaping completed 2016
Road Safety	MoTI and ICBC	ongoing
Multi-use trail connectivity	Capital Regional District Parks, Juan de Fuca Electoral Area, Bike BC	Sooke River Road trail completed 2016
Sooke Harbour and Basin water quality	Ministry of Environment and Capital Regional District	Ongoing
Noxious weeds	Capital Regional District	Ongoing









The *Community Grants Program* assists organizations with projects or special activities that serve the well-being of the community through efforts that build capacity in regard to volunteerism and enhance the well-being of the community through sport, recreation, culture, fine arts, heritage, public safety and beautification projects.

These grants are an important source of funding to local community organizations and help provide a variety of services to the community.

### Category A: Annual Operating Grants 2016

Citizens on Patrol Sooke	\$ 2 800
EMCS Society for the Sooke Youth Council	\$ 3 500
JDF Regional Park Watch Society	\$ 5 000
NEED2 - Suicide Prevention, Education and Awareness	\$ 1 592
Sooke Community Arts Council	\$ 4 000
Sooke Family Resource Society	\$ 2 000
Sooke Fine Arts Society	\$ 7 000
Sooke Food Bank Society	\$ 10 000
Sooke Lions Club	\$ 5 000
Sooke Region Food Community Health Initiative	\$ 7 000
Sooke Residents in Need Society—Crisis Centre Program	\$ 6 120
Sooke Transition Town Society—Wild Wise Sooke	\$ 2 925
Vancouver Island South Film and Media Commission	\$ 500
<b>Total 2016 Operating Grants:</b>	<b>\$ 57 437</b>



## Category B: Project Grants 2016

EMCS Student Art Bus Shelter Project	\$ 1 827.63
Harmony Project Society of BC	\$ 7 000
Rotary Club of Sooke	\$ 3 000
Scouts Canada—Cascadia Council—Camp Bernard	\$ 5 000
Sooke River Bluegrass Festival	\$ 2 650
Sooke River Bluegrass Festival	\$ 5 000
Sooke Christmas Bureau	\$ 7 000
Sooke Community Choir	\$ 1 050
Sooke Food Bank Society	\$ 9 100
Sooke Harbour Players	\$ 3 500
Sooke Region Community Health Initiative	\$ 7 000
Sooke Saltwater Series	\$ 3 500
Sooke Transition Town Society	\$ 1 200
Team Sooke/Juan de Fuca: Refugee Sponsorship Committee	\$ 3 600

Total 2016 Project Grants: \$ 60 427.63

Total 2016 Allocations: **\$ 117 864.63**



The Sooke Community Choir performing at the Community Hall

Photo credit: Sooke Community Choir

## Permissive Tax Exemptions 2016

Organization and Property Address	2016 Exemption Value
<b>Public Worship</b>	
Sooke Baptist Church, 7110 West Coast Road	\$ 17 621.31
Sooke Pentecostal Church, 6851 West Coast Road	\$ 2 719.66
Holy Trinity Anglican Church, 1952 Murray Road	\$ 8 443.46
Knox Vision Society, 2110 Church Road	\$ 3 652.82
Juan de Fuca Seventh Day Adventist Church, 6251 Sooke Road	\$ 959.93
Juan de Fuca Seventh Day Adventist Church, 6255 Sooke Road	\$ 1 269.61
Sooke Congregation of Jehovah's Witnesses, 2207 Church Road	\$ 8 688.12
Bishop of Victoria, 2191 Townsend Road	\$ 10 175.56
<b>Public Parks and Recreation Purposes</b>	
Sooke Community Hall, 2039 Shields Road	\$ 9 382.34
Sooke Community Association, 6441 Throup Road	\$ 6 779.15
Sooke Community Association Parking Area & Ballpark, 6521 Throup Road (Lot 1, Plan VIP5996)	\$ 5 156.53
Sooke Community Association Ballpark, 6521 Throup Road (Parcel A, Lot 2, Plan VIP5996)	\$ 1 617.49
Sooke Community Association tennis court, 6521 Throup Road (Parcel A, Block 7, Plan VIP5855)	\$ 1 633.75
Sooke Community Association, Fred Milne Park, 2249 Sooke River Road	\$ 6 586.52
Sooke Community Association Park campground and "Sooke Flats", 2259 Phillips Road	\$ 14 709.04
Sooke Community Association "Sooke Flats", 2259 Phillips Road	\$ 4 284.42
Sooke Lions Club Park, 2008 Murray Road	\$ 1 817.16
Canadian Council of the Girl Guides Association, 2292 Sooke River Road	\$ 5 600.25
Camp Thunderbird YMCA, Glinz Lake Road (Sections 56 & 57 and Parcel A of Section 19)	\$ 11 094.84
Camp Thunderbird YMCA, Glinz Lake Road (Block A, Section 59)	\$ 5 226.36
Camp Thunderbird YMCA, Glinz Lake Road (Block A, Section 60)	\$ 4 714.29

Organization and Property Address	2016 Exemption Value
<b>Non-Profit Charitable Organizations</b>	
St. Vincent de Paul Society, 6750 West Coast Road, Unit 101 (Lot 1)	\$ 10 503.16
St. Vincent de Paul Society, 6750 West Coast Road, Unit 202 (Lot 2)	\$ 2 811.09
St. Vincent de Paul Society, 6750 West Coast Road, Unit 201 (Lot 3)	\$ 4 257.30
St. Vincent de Paul Society, 6750 West Coast Road, Unit 301 (Lot 4)	\$ 4 257.30
Children's Health Foundation of Vancouver Island, 6672 Wadams Way	\$ 36 336.22
Sooke Harbour Authority, Maple Avenue Government Wharf	\$ 13 145.25
Crown Federal, Government Wharf, 1800 Maple Avenue S	\$ 633.99
Royal Canadian Legion, Branch #54, 6726 Eustace Road	\$ 11 763.59
Sooke Regional Historical Society Museum, 2070 Phillips Road	\$ 20 463.98
Sooke Elderly Citizens Society (Ayre Manor), 6744 Ayre Road	\$ 69 026.16
Sooke Mount Shepherd Masonic Association, 6544 Throup Road	\$ 4 855.68
Sooke Hospice Society, 6669 Goodmere Road	\$ 5 678.21
Juan de Fuca Salmon Restoration Society, 2895 Sooke River Road	\$ 12 037.08
<b>Total 2016 Permissive Tax Exemptions</b>	<b>\$ 327 813.61</b>



Photo credit: Patti Rear



Financial Statements of

## **DISTRICT OF SOOKE**

Year ended December 31, 2016

# DISTRICT OF SOOKE

## Financial Statements

Year ended December 31, 2016

### Financial Statements

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## **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The accompanying financial statements of District of Sooke (the "District") are the responsibility of management and have been prepared in compliance with applicable legislation, and in accordance with public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The District's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the District. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the District's financial statements.



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*Director of Finance*



KPMG LLP  
St. Andrew's Square II  
800-730 View Street  
Victoria V8W 3Y7  
Canada  
Telephone (250) 480-3500  
Fax (250) 480-3539

## INDEPENDENT AUDITORS' REPORT

*To the Mayor and Councillors of District of Sooke*

We have audited the accompanying financial statements of District of Sooke, which comprise the statement of financial position as at December 31, 2016, the statements of operations, change in net debt and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of District of Sooke as at December 31, 2016, and its results of operations, its change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

April 24, 2017  
Victoria, Canada



# DISTRICT OF SOOKE

## Statement of Financial Position

December 31, 2016, with comparative information for 2015

	2016	2015
<b>Financial assets:</b>		
Cash and cash equivalents (note 2)	\$ 10,101,784	\$ 12,360,972
Property taxes receivable	869,596	1,424,697
Accounts receivable	231,856	319,995
Other assets (note 10(a))	132,747	129,138
	11,335,983	14,234,802
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities	2,024,997	4,334,368
Deposits	395,551	574,330
Deferred revenue (note 3)	3,617,878	3,838,564
Employee benefit obligations (note 4)	389,335	276,941
Long-term liabilities (note 5)	6,972,901	6,224,473
	13,400,662	15,248,676
<b>Net debt</b>	(2,064,679)	(1,013,874)
<b>Non-financial assets:</b>		
Tangible capital assets (note 6)	104,774,456	101,224,468
Prepaid expenses	268,006	528,784
	105,042,462	101,753,252
<b>Accumulated surplus (note 7)</b>	\$ 102,977,783	\$ 100,739,378

Commitments and contingent liabilities (note 10)

The accompanying notes are an integral part of these financial statements.

On behalf of the District:



Director of Finance

# DISTRICT OF SOOKE

## Statement of Operations

Year ended December 31, 2016, with comparative information for 2015

	Financial Plan (note 11)	2016	2015
Revenue:			
Net taxes available for municipal purposes (note 8)	\$ 6,878,341	\$ 6,867,316	\$ 6,814,555
Sales and user fees	169,641	151,586	150,068
Government transfers (note 9)	1,439,127	1,394,769	1,029,610
Investment income	60,000	252,812	196,862
Penalties and fines	205,000	181,298	210,908
Licenses and permits	531,404	579,567	450,201
Lease and rental	52,340	50,222	50,840
Donations and contributions	240,000	2,784,840	1,872,917
Developer cost charges	723,577	510,841	401,577
Sewer operating revenue	2,020,604	1,996,012	1,972,334
Casino revenue sharing	244,641	253,721	244,641
Total revenue	12,564,675	15,022,984	13,394,513
Expenses:			
General government	2,789,456	2,951,646	2,228,602
Protective services	3,286,691	3,407,165	3,100,839
Development service	3,702,784	4,076,253	3,931,388
Sewer	2,186,516	2,349,515	2,107,024
Total expenses	11,965,447	12,784,579	11,367,853
Annual surplus	599,228	2,238,405	2,026,660
Accumulated surplus, beginning of year	100,739,378	100,739,378	98,712,718
Accumulated surplus, end of year	\$ 101,338,606	\$ 102,977,783	\$ 100,739,378

The accompanying notes are an integral part of these financial statements.

# DISTRICT OF SOOKE

## Statement of Change in Net Debt

Year ended December 31, 2016, with comparative information for 2015

	Financial Plan (note 11)	2016	2015
Annual surplus	\$ 599,228	\$ 2,238,405	\$ 2,026,660
Acquisition of tangible capital assets	(4,301,239)	(3,852,533)	(3,282,284)
Developer contributions of tangible capital assets	-	(2,521,038)	(1,373,037)
Amortization of tangible capital assets	2,537,650	2,823,583	2,607,194
Loss on disposal of tangible capital assets	-	-	975
Proceeds on disposal of tangible capital assets	-	-	4,200
	(1,763,589)	(3,549,988)	(2,042,952)
Acquisition of prepaid expenses	-	260,778	(84,210)
Change in net debt	(1,164,361)	(1,050,805)	(100,502)
Net debt, beginning of year	(1,013,874)	(1,013,874)	(913,372)
Net debt, end of year	\$ (2,178,235)	\$ (2,064,679)	\$ (1,013,874)

The accompanying notes are an integral part of these financial statements.

# DISTRICT OF SOOKE

## Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
Cash provided by (used in):		
<b>Operating activities:</b>		
Annual surplus	\$ 2,238,405	\$ 2,026,660
Items not involving cash:		
Developer contributions of tangible capital assets	(2,521,038)	(1,373,037)
Amortization of tangible capital assets	2,823,583	2,607,194
Loss on disposal of tangible capital assets	-	975
Actuarial adjustment on debt	(137,004)	(121,769)
Changes in non-cash operating assets and liabilities:		
Property taxes receivable	555,101	163,921
Accounts receivable	88,139	149,388
Other assets	(3,609)	(3,224)
Accounts payable and accrued liabilities	(2,309,371)	2,493,407
Deposits	(178,779)	(250,514)
Employee benefit obligations	112,394	83,849
Deferred revenue	(220,686)	(71,001)
Prepaid expenses	260,778	(84,210)
	707,913	5,621,639
<b>Capital activities:</b>		
Acquisition of tangible capital assets	(3,852,533)	(3,282,284)
Proceeds on disposal of tangible capital assets	-	4,200
	(3,852,533)	(3,278,084)
<b>Financing activities:</b>		
Debt issued and assumed	1,420,000	-
Debt payments	(534,568)	(384,655)
	885,432	(384,655)
Increase (decrease) in cash and cash equivalents	(2,259,188)	1,958,900
Cash and cash equivalents, beginning of year	12,360,972	10,402,072
Cash and cash equivalents, end of year	\$ 10,101,784	\$ 12,360,972
<b>Supplemental cash flow information:</b>		
Cash paid for interest	\$ 441,280	\$ 433,108
Cash received from interest	126,716	144,368

The accompanying notes are an integral part of these financial statements.



# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2016

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District of Sooke (the "District") is a municipality in the Province of British Columbia and operates under the provisions of the Local Government Act and the Community Charter of British Columbia.

The District provides municipal services such as fire, public works, engineering, planning, parks, recreation, community development, and other general government operations.

### **1. Significant accounting policies:**

The financial statements of the District are prepared by management in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

#### **(a) Reporting entity:**

The financial statements include a combination of all the assets, liabilities, accumulated surplus, revenues and expenses of all of the District's activities and funds. Inter-departmental balances and organizational transactions have been eliminated.

The District does not control any significant external entities and accordingly no entities have been consolidated with the financial statements.

#### **(b) Basis of accounting:**

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

#### **(c) Government transfers:**

Government transfers without stipulations restricting their use are recognized in the financial statements as revenue in the period in which the transfers are authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made. Government transfers with stipulations restricting their use are recognized in the financial statements as revenues in the period in which the eligible expenditures are incurred, providing they are authorized and eligibility criteria are met.

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

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## 1. Significant accounting policies (continued):

### (d) Deferred revenue:

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, prepaid property taxes and certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired, thereby extinguishing the related liability.

Development cost charges are amounts which are restricted by government legislation or agreement with external parties. When qualifying expenditures are incurred development cost charges are recognized as revenue in amounts which equal the associated expenses.

### (e) Property tax revenue:

Property tax revenue is recognized on the accrual basis using the approved tax rates and the anticipated assessment related to the current year.

### (f) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related legislation, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

### (g) Deposits:

Receipts restricted by third parties are deferred and reported as deposits under certain circumstances. Deposits are returned when the third party meets their obligations or the deposits are recognized as revenue when qualifying expenditures are incurred.

### (h) Cash and cash equivalents:

Cash and cash equivalents include investments in the Municipal Finance Authority of British Columbia ("MFA") pooled investment funds and are recorded at cost plus earnings reinvested in the funds.

### (i) Long-term debt:

Long-term debt is recorded net of related payments and actuarial earnings.

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

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## 1. Significant accounting policies (continued):

### (j) Employee future benefits:

The District and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and other retirement benefits are also available to the District's employees. The costs of these benefits are determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

### (k) Non-financial assets:

Non financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

### (i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - years
Land improvements	10 - 50
Buildings	25 - 40
Equipment, furniture and vehicles	4 - 25
Roads and sidewalks	25 - 75
Storm sewer	60
Sanitary sewer	25 - 60

Amortization is charged annually, including in the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the District's ability to provide goods and services, or when the value of the future economic benefits associated with the asset are less than the book value of the asset.

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

---

## 1. Significant accounting policies (continued):

### (k) Non-financial assets (continued):

#### (ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

#### (iii) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

#### (iv) Interest capitalization:

The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

#### (v) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

### (l) Contaminated sites:

The District records a liability in its financial statements when contamination on non-active property exceeds an accepted environmental standard and the District is directly responsible, or accepts responsibility for, the damage. The liability is measured at the District's best estimate of the costs directly attributable to remediation of the contamination. No contaminated sites liabilities have been recorded in these financial statements.

### (m) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets and estimating provisions for accrued liabilities including employee future benefits. Actual results could differ from these estimates.



# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

## 2. Cash and cash equivalents:

	2016	2015
Bank deposits	\$ 1,671,008	\$ 1,092,839
Municipal Finance Authority Pooled Investment Funds	8,430,776	11,268,133
	<u>\$ 10,101,784</u>	<u>\$ 12,360,972</u>

## 3. Deferred revenue:

	2016	2015
Prepaid property taxes	\$ 957,082	\$ 813,350
Development cost charges	2,615,510	2,986,428
Other deferred revenue	45,286	38,786
Total deferred revenue	<u>\$ 3,617,878</u>	<u>\$ 3,838,564</u>

Included in other deferred revenue are business licenses and building permits.

### Development Cost Charges

	2016	2015
Opening balance of unspent funds	\$ 2,986,428	\$ 2,987,701
Add:		
Development cost charges during the year	124,967	384,720
Interest earned	14,956	15,584
	<u>139,923</u>	<u>400,304</u>
	3,126,351	3,388,005
Less amount recorded as revenue	510,841	401,577
Closing balance of unspent funds	<u>\$ 2,615,510</u>	<u>\$ 2,986,428</u>

In accordance with Bylaw 408, development cost charges were reduced by nil in 2016 (2015 - nil).

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

## 4. Employee benefit obligations:

	2016	2015
Accrued vacation	\$ 32,852	\$ 52,444
Other contract obligations	356,483	224,497
	<u>\$ 389,335</u>	<u>\$ 276,941</u>

Employee benefit obligations represent accrued benefits as at December 31, 2016. Accrued vacation is the amount of vacation entitlement carried forward into the next year. Other contract obligations include banked overtime payable to the District's employees, accumulated sick leave banks and retirement benefits for possible drawdown at future dates. Sick leave entitlements may only be used while employed by the District and are not paid out upon retirement or termination of employment.

### Municipal Pension Plan

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2015, the plan has about 189,000 active members and approximately 85,000 retired members. Active members include approximately 37,000 contributors from local governments.

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2018, with results available in 2019.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

The District paid \$253,931 (2015 - \$245,429) for employer contributions to the Plan in fiscal 2016, while employees contributed \$210,837 (2015 - \$204,429) to the plan in fiscal 2016.

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

## 5. Long-term liabilities:

	2016	2015
Tax supported debt bearing interest at 6.75% and matures in 2017 (municipal hall and fire hall)	\$ 80,651	\$ 156,203
Tax supported debt bearing interest at 4.52% and matures in 2027 (ladder truck)	390,671	420,642
Debenture debt for sewer capital project bearing interest at 4.43% and matures in 2026	5,223,579	5,647,628
MFA Loan (property purchase) bearing annual variable interest and matures in 2021	1,278,000	-
Long-term liabilities	\$ 6,972,901	\$ 6,224,473

### (a) Debenture debt:

The loan agreements with the Capital Regional District ("CRD") and the MFA provide that if, at any time, the scheduled payments provided for in the agreements are not sufficient to meet the MFA's obligations in respect of such borrowings, the resulting deficiency becomes a liability of the District.

The District issues its debentures through the MFA. Debentures are issued on a sinking fund basis, whereby the MFA invests the District's principal payments so that the payments, plus investment income, will equal the original outstanding debt amount at the end of the repayment period. The gross value of debenture debt at December 31, 2016 and 2015 is \$9,417,101.

### (b) The principal payments required on the District's long-term debt during each of the next five years are as follows:

	Total
2017	\$ 680,894
2018	600,243
2019	600,243
2020	600,243
2021	458,243

### (c) Total interest expense on long-term debt for the year ending December 31, 2016 amounted to \$441,280 (2015 - \$433,054).

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

## 6. Tangible capital assets:

	Land	Land improvements	Buildings	Equipment, furniture and vehicles	Roads and sidewalks	Storm sewer	Sanitary sewer	Work in progress	Total 2016	Total 2015
<b>Cost:</b>										
Balance, beginning of year	\$30,144,400	5,964,023	3,970,293	4,255,786	49,195,617	11,079,438	25,922,712	3,021,642	\$133,553,911	\$128,907,057
Additions	1,698,497	1,337,301	-	220,641	3,764,504	1,489,269	612,626	48,668	9,171,506	6,635,171
Transfers	-	-	-	-	-	-	-	(2,797,935)	(2,797,935)	(1,988,317)
Balance, end of year	31,842,897	7,301,324	3,970,293	4,476,427	52,960,121	12,568,707	26,535,338	272,375	139,927,482	133,553,911
<b>Accumulated amortization:</b>										
Balance, beginning of year	-	2,136,313	2,169,576	2,519,796	20,027,988	1,181,354	4,294,416	-	32,329,443	29,725,541
Disposals	-	-	-	-	-	-	-	-	-	(3,292)
Amortization	-	261,443	138,666	217,352	1,570,139	152,100	483,883	-	2,823,583	2,607,194
Balance, end of year	-	2,397,756	2,308,242	2,737,148	21,598,127	1,333,454	4,778,299	-	35,153,026	32,329,443
Net book value, end of year	\$31,842,897	4,903,568	1,662,051	1,739,279	31,361,994	11,235,253	21,757,039	272,375	\$104,774,456	\$101,224,468



# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

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## 6. Tangible capital assets (continued):

### (a) Work in progress:

Work in progress having a value of \$272,375 (2015 - \$3,021,642) has not been amortized. Amortization of these assets will commence when the asset is available for service.

### (b) Contributed tangible capital assets:

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed capital assets received during the year is \$2,521,038 (2015 - \$1,373,037) comprised of land (\$279,800), land improvements (\$141,500) roads and sidewalks (\$937,601), storm sewer (\$626,499) and sanitary sewer (\$535,638).

### (c) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, the tangible capital asset has been recognized at a nominal value.

### (d) Works of art and historical treasures:

The District manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at District sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

### (e) Write-down of tangible capital assets:

No write-down of tangible capital assets occurred during the year.

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

## 7. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2016	2015
<b>Surplus:</b>		
Equity in tangible capital assets	\$ 97,801,555	\$ 94,999,995
Operating Fund	1,171,698	2,454,480
Total surplus	98,973,253	97,454,475
<b>Reserve Funds:</b>		
Gas Tax Reserve	807,718	409,373
Fire Equipment Reserve	113,995	106,970
Parkland Reserve	206,778	205,742
Land (Non-park) Reserve	73,422	5,543
Casino Revenue Reserve	347,405	212,365
Capital Improvement Financing Reserve	54,894	42,678
SPA Revenue Reserve	58,257	48,104
Capital Works Reserve	62,966	52,705
Emergency Road Repair / Snow Removal Reserve	177,138	183,723
Carbon Tax Rebate Reserve	5,327	3,509
Community Amenities Reserve	122,720	112,156
Risk Management Reserve	30,870	30,870
Property Tax Stabilization Reserve	51,000	51,000
Revenue Smoothing Reserve	71,000	71,000
Capital Asset Replacement Reserve	634,336	657,753
Future Sewer Expenditures Reserve	306,108	310,993
Seniors/Youth Centre Reserve	150,677	100,000
Playing Field Reserve	403,017	400,826
Future Policing Costs Reserve	88,615	43,869
Future Road Liabilities Reserve	171,458	169,095
Harbour Park Reserve	19,198	18,998
Marine Boardwalk Reserve	5,520	5,520
Banner Contributions Reserve	500	500
Knott / Demamiel Watershed Reserve	6,700	6,700
Street Lighting Reserve	4,000	4,000
Frontage Improvements Reserve	30,911	30,911
Total reserve funds	4,004,530	3,284,903
	<b>\$102,977,783</b>	<b>\$100,739,378</b>

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

## 8. Taxation:

As well as taxes for its own purposes, the District is required to collect taxes on behalf of, and transfer these amounts to, the government agencies noted below. Taxes levied over or under the amounts requisitioned are recorded as accounts payable or receivable.

	2016	2015
Taxes:		
Property tax	\$ 16,163,251	\$ 15,981,720
Payments in lieu of taxes	32,778	38,532
1% Utility tax	146,393	144,547
	16,342,422	16,164,799
Less taxes levied on behalf of:		
Provincial government - school taxes	4,601,783	4,684,038
Capital Regional District	2,879,798	2,679,427
Capital Regional Hospital District	663,809	663,172
Municipal Finance Authority	458	443
BC Assessment Authority	129,606	136,433
BC Transit Authority	637,429	637,423
Vancouver Island Regional Library	562,223	549,308
	9,475,106	9,350,244
Net taxes available for municipal purposes	\$ 6,867,316	\$ 6,814,555

## 9. Government transfers:

The Government transfers reported on the statement of operations and accumulated surplus are:

	2016	2015
Provincial Small Community Protection	\$ 341,965	\$ 362,218
Provincial Traffic Fine Revenue	85,240	98,758
Multi-use Trail Grants	72,786	19,572
Gas Tax Agreement Funds	534,881	517,456
Ministry of Transportation and Infrastructure	320,000	-
Other	39,897	31,606
Total revenue	\$ 1,394,769	\$ 1,029,610

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

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## 10. Commitments and contingent liabilities:

In the normal course of business, the District enters into commitments for both capital and operational expenses. These commitments have been budgeted for within the appropriate annual financial plan and have been approved by Council.

(a) Municipal Finance Authority debt reserve fund deposits:

Under borrowing arrangements with the MFA, the District is required to lodge security by means of demand notes and interest-bearing cash deposits based on the amount of the borrowing. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits totaling \$132,747 (2015 - \$129,138) are included in the District's financial assets as other assets and are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the District. At December 31, 2016 there were contingent demand notes of \$272,296 (2015 - \$272,296) which are not included in the financial statements of the District.

(b) The CRD debt, under the provision of the Local Government Act, is a direct, joint and several liability of the CRD and each member municipality within the CRD, including the District.

(c) The District is a shareholder and member of the Capital Regional Emergency Service Telecommunications ("CREST") Incorporated whose services provide centralized emergency communications, and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations throughout the Greater Victoria region and the Gulf Islands. Members' obligations to share in funding ongoing operations and any additional costs relating to capital assets are to be contributed pursuant to a Members' Agreement.

(d) As part of the normal course of business, the District has entered into various agreements and contracts for services with periods ranging up to five years. These amounts will be recorded in the accounts in the period that the goods and services are received.

(e) The District entered into a long-term contract with the Royal Canadian Mounted Police for the provision of police services effective April 1, 2002. Under the terms of this contract, the District is responsible for 70% of policing costs. The 2017 estimated cost of this contract is \$1,994,039.

(f) The District terminated its agreement with its sewer utility operator effective September 30, 2016. There are no liabilities as of December 31, 2016 associated with the termination of the agreement.

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

## 10. Commitments and contingent liabilities (continued):

- (g) The District is a defendant in various lawsuits. The District records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful as a result of litigation, will be recorded when a liability is likely and determinable. The District is covered through an independent insurance program against certain claims.

The District is self-insured for general liability claims through membership in the Municipal Insurance Association of British Columbia, a reciprocal insurance exchange. Under this program, member municipalities jointly share claims against any member in excess of their deductible. Should the Association pay out claims in excess of premiums received, it is possible that the District, along with the other participants, would be required to contribute towards the deficit. The District's deductible is \$10,000.

## 11. Financial plan data:

The financial plan data presented in these financial statements is based upon the 2015 operating and capital financial plans approved by Council on May 11, 2015. The following reconciles the approved financial plan to the figures reported in these financial statements.

	Financial plan amount
Revenues:	
Financial plan, as approved by Council	\$ 19,126,749
Amendments approved by Council	(684,422)
Financial plan, amended as approved by Council	18,442,327
Less:	
Transfers from other funds	1,920,002
Proceeds from borrowing	1,420,000
Amortization offset	2,537,650
Total revenue	12,564,675
Expenses:	
Financial plan, as approved by Council	19,126,749
Amendments approved by Council	(684,422)
Financial plan, amended as approved by Council	18,442,327
Less:	
Capital expenditures	4,151,239
Transfer to other reserves	1,779,977
Debt principal payments	545,664
Total expenses	11,965,447
Annual surplus	\$ 599,228



# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

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## **11. Financial plan data (continued):**

The annual surplus above represents the planned results of operations prior to budgeted transfers between reserve funds, debt repayments and capital expenditures.

## **12. Reclassification of comparative information:**

Certain comparative information has been reclassified to conform with the current year's presentation. This includes the reclassification of prepaid property taxes from accounts payable and accrued liabilities to deferred revenue.

## **13. Segmented information:**

The District is a diversified municipal organization that provides a wide range of services to its citizens. For management reporting purposes, the District's operations and activities are organized and reported by service areas. Municipal services are provided by departments and their activities are reported in these service areas. Service areas that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### **(a) General Government:**

General government is comprised of Corporate Services, Finance, Human Resources and Information Technology. This segment also includes any other functions categorized as non-departmental.

### **(b) Protective services:**

Protective services is comprised of three different functions, including the District's emergency management, fire, and police services. The emergency management agency prepares the District to be more prepared and able to respond to, recover from, and be aware of, the devastating effects of a disaster or major catastrophic event that will impact the community. The fire department is responsible for providing critical, life-saving services in preventing or minimizing the loss of life and property from fire and natural or man-made emergencies. Policing services are provided to the District under a long term agreement with the Royal Canadian Mounted Police.

# DISTRICT OF SOOKE

Notes to Financial Statements (continued)

Year ended December 31, 2016

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## 13. Segmented information (continued):

### (c) Development Services:

Development Services includes Engineering, Community Spaces, Building Inspection, Planning and Development and Geographic Information Services.

Engineering is responsible for the planning, design and construction of the District's infrastructure. This department, working closely with the Planning Department, ensures that the District is developed in a fashion consistent with the Official Community Plan while at the same time making sure that good engineering practices are maintained.

Community Spaces is responsible for the construction and maintenance of the District's parks and greenspaces. This includes formal parks such as Ed Macgregor Park and the Marine Boardwalk, local play parks and numerous natural areas such as Whiffin Spit Park.

Planning and development is responsible for the District's community planning goals and economic development through the official community plan, and other policy initiatives.

Geographic Information Services provides asset management, mapping and property information to District of Sooke staff and to the public.

### (d) Sewer:

The sewer protects the environment and human health from the impacts of liquid wastes generated as a result of human occupation and development in the District.

Certain allocation methodologies have been employed in the preparation of the segmented financial information. The General Fund reports on municipal services that are funded primarily by taxation such as property taxes and other tax revenues. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in note 1.

# DISTRICT OF SOOKE

## Notes to Financial Statements (continued)

Year ended December 31, 2016

### 13. Segmented information (continued):

2016	General Government	Protective Services	Development	Sewer	Total
<b>Revenue:</b>					
Taxation	\$ 6,867,316	\$ -	\$ -	\$ -	\$ 6,867,316
User charges	329,522	41,762	591,388	1,996,012	2,958,684
Government transfers	256,951	427,205	964,334	-	1,648,490
Investment income	252,812	-	-	-	252,812
Other	-	-	3,000,162	295,519	3,295,681
Total revenue	7,706,601	468,967	4,555,884	2,291,531	15,022,983
<b>Expenses:</b>					
Salaries and wages	1,539,073	971,311	1,160,075	120,947	3,791,406
Contracted and general services	490,343	1,913,163	644,834	1,039,656	4,087,996
Supplies and materials	760,813	269,452	439,762	210,257	1,680,284
Interest and bank charges	22,751	35,887	-	342,672	401,310
Amortization	138,666	217,352	1,831,582	635,983	2,823,583
Total expenses	2,951,646	3,407,165	4,076,253	2,349,515	12,784,579
Annual surplus (deficit)	\$ 4,754,955	\$ (2,938,198)	\$ 479,631	\$ (57,984)	\$ 2,238,404

2015	General Government	Protective Services	Development	Sewer	Total
<b>Revenue:</b>					
Taxation	\$ 6,814,555	\$ -	\$ -	\$ -	\$ 6,814,555
User charges	364,662	61,914	435,441	1,972,334	2,834,351
Government transfers	253,747	460,976	559,528	-	1,274,251
Investment income	196,862	-	-	-	196,862
Other	-	-	1,978,975	295,519	2,274,494
Total revenue	7,629,826	522,890	2,973,944	2,267,853	13,394,513
<b>Expenses:</b>					
Salaries and wages	1,144,139	933,995	1,151,378	-	3,229,512
Contracted and general services	382,562	1,610,629	582,089	1,083,460	3,658,740
Supplies and materials	555,662	314,414	548,815	12,887	1,431,778
Interest and bank charges	7,575	43,214	-	389,840	440,629
Amortization	138,664	198,587	1,649,106	620,837	2,607,194
Total expenses	2,228,602	3,100,839	3,931,388	2,107,024	11,367,853
Annual surplus (deficit)	\$ 5,401,224	\$ (2,577,949)	\$ (957,444)	\$ 160,829	\$ 2,026,660