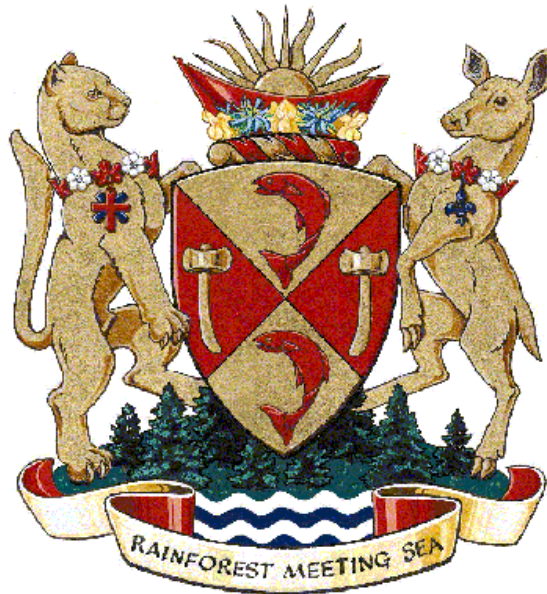


DISTRICT OF SOOKE

2006 ANNUAL REPORT



"Where the Rainforest Meets the Sea"



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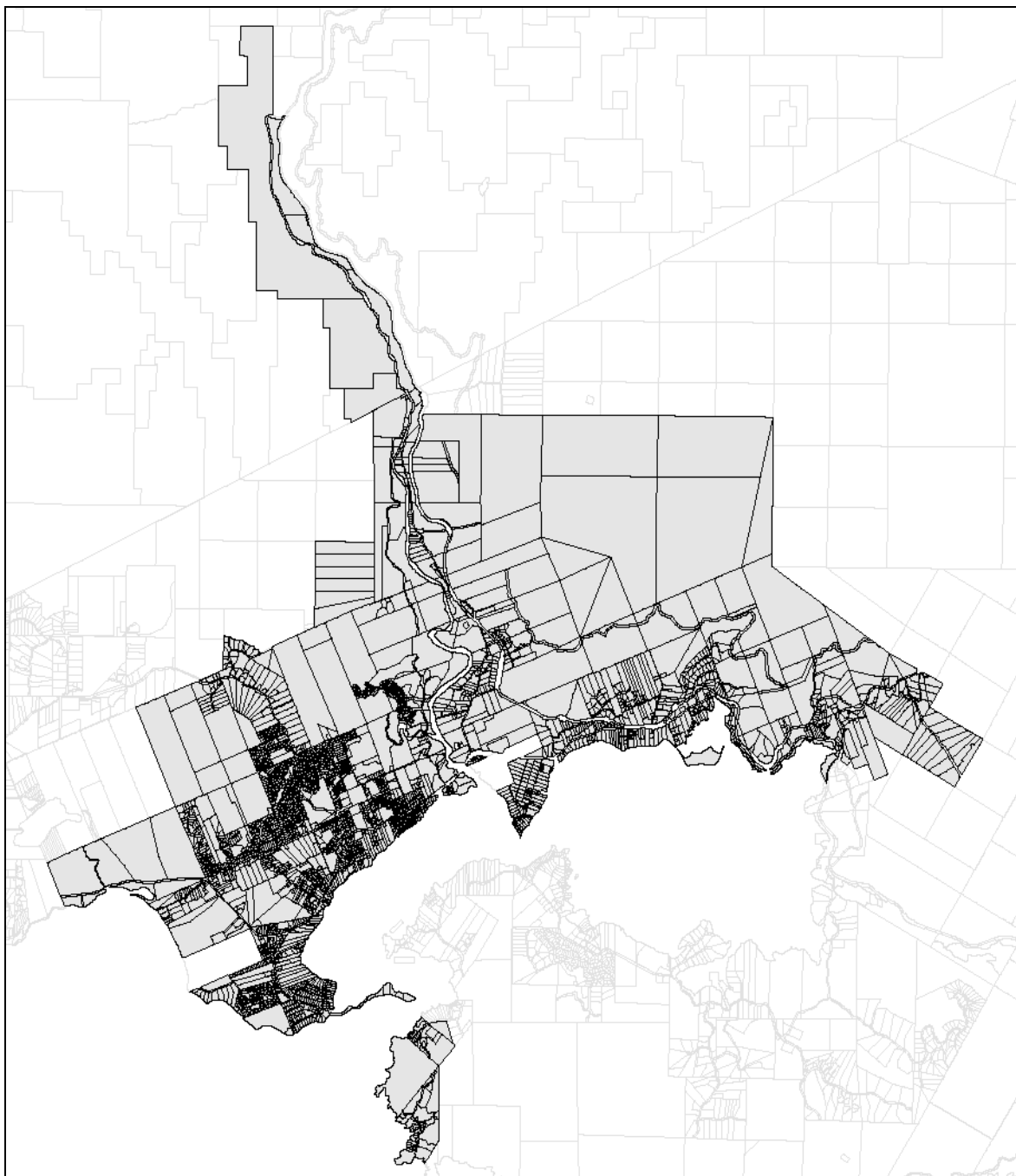
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Presented to District of Sooke Council June, 2006 in accordance with Section 99, Community Charter.

For more information, please contact:

District of Sooke, Tel: (250)642-1634 Email: info@district.sooke.bc.ca

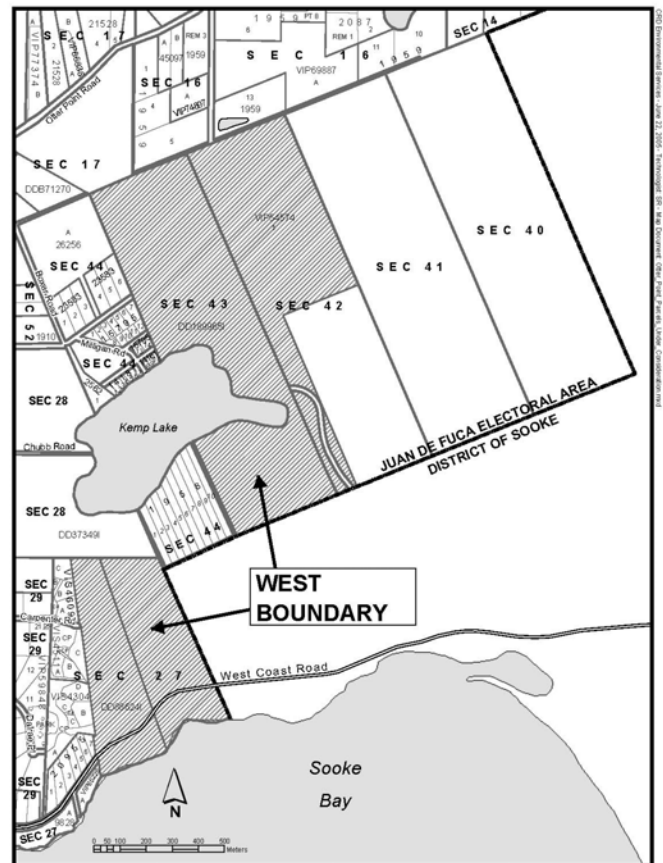
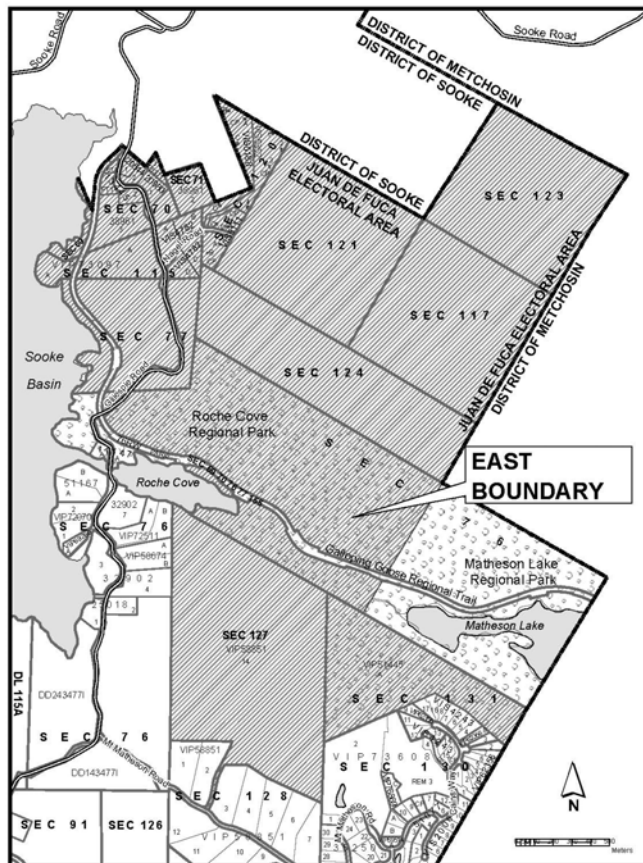
Electronic Version (PDF) available on the District of Sooke Website www.district.sooke.bc.ca



District of Sooke Boundary Map

EAST AND WEST BOUNDARY EXTENSIONS AREAS

Effective February 22nd, 2006, the boundary of the District of Sooke was amended by including the East Boundary (Gillespie Road area) and the West Boundary (Kemp Lake area) properties.





District of Sooke Mayor and Council 2006

(L to R) Councillor Jen Smith, Councillor Sheila Beech, Councillor Rick Kasper, Mayor Janet Evans, Councillor Brenda Parkinson, Councillor Ron Dumont and Councillor Rick Armour



District of Sooke Municipal Hall

CHAIN OF OFFICE

At the December 2005 Inaugural Council meeting, the new Chain of Office was presented by Lorna Barry, Elida Peers and George OBriain to the District of Sooke.



Photo by Andrei Fedorov

The Chain of Office incorporates symbols of Sooke tradition and community:

Camas flower - First Nations and Nature
Salmon and axe – fishing and logging
Gold – Leechtown gold rush
Green velvet - Trees
Colour Blue – ocean



Photo by Ken Sprinkling



Photo by Andrei Fedorov

Designer: Renaat Marchand

Community Overview

Located on Vancouver Island, the District of Sooke is a short 35-minute drive from downtown Victoria, the capital city of British Columbia. The newly incorporated community's approximately 10,000 residents enjoy a relaxed, casual lifestyle in a rural setting that also affords many of the amenities of city life.

Sooke's once resource dependent economy has shifted focus to include many home-based businesses, a commercial core, and a bustling tourism sector which annually entertains thousands of visitors from throughout the world. Sooke is the gateway to numerous ecotourism adventures as well as the West Coast Trail, Juan de Fuca Marine Trail, and Galloping Goose Trail.

Dozens of local bed and breakfasts as well as motels and campgrounds offer accommodation, and those looking to take advantage of local fishing opportunities will find what they need from marinas and fishing charter guides.

Sooke enjoys some of the mildest climate in western Canada, with warm and dry summer months, and wet, mild winter months, allowing residents and visitors alike to enjoy many amenities such as a Par 3 golf course, Sooke Potholes Provincial Park, skateboard park, arena and aquatic centre, museum and visitor information centre, and much, much more.

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 commercial core. 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.

The volunteer spirit pulls residents together for numerous special events like the Rotary Auction and Spring Fair, the Sooke Canada Day celebration, the Sooke Philharmonic Orchestra "Fling" and the Sooke Fall Fair. But that volunteer spirit doesn't end with special events. Hundreds of residents share their time and talents with dozens of community groups offering something special to their fellow residents.

Visitors to our community have the opportunity to enjoy the beauty the Sooke region has to offer, one main reason so many are proud to call Sooke home.

(From District of Sooke website: www.district.sooke.bc.ca)

Message from Mayor Janet Evans



On behalf of The District of Sooke, it is my pleasure to introduce the Annual Report.

As Southern Vancouver Island is one of the most attractive places to live, Sooke is faced with balancing the demand for growth with the need to maintain our quality of life and protect our fabulous environment. Council shares a vision for Sooke that will create a healthy, vibrant and prosperous community. To achieve this, we will promote our great community as a cultural center, with small-town values and an affordable lifestyle.

We will continue to focus on cleaning up the harbour and basin, to provide a great place to raise a family and a relaxing place to retire. We are committed to managing opportunities for the benefit of the community.

To these ends, the municipality is guided by the strategic goals that Council and Staff have established for new infrastructure and streamlining municipal procedures. You will find these within this report.

The District of Sooke has experienced another very busy year. The biggest is the completion by January, 2006 of the wastewater collection and treatment plant. This was a two and one-half year project and thanks to the hard work of District Staff, and our partners EPCOR and Chew Excavating it was finished ahead of schedule and on budget.

In 2005 we also welcomed new neighbours for the east and west into our District.

Council will continue to meet as a Committee of the Whole to discuss issues that relate to our goals and objectives, and welcomes public participation at meetings.

As one of my top priorities, I am still working with the Sooke Elderly Citizens Housing Society on the seniors care facility. Fulfilling a commitment that will provide 30 complex care beds and 15 assisted living units. We are all aggressively pursuing approval from Vancouver Island Health Authority at this time.

On behalf of Council and staff I would like to take this opportunity to thank the volunteer Fire Fighters and the many Sooke citizens who volunteer throughout our community on all our committees. Your hard work, time and dedication are appreciated.

To all the citizens of Sooke, thank you for helping to shape our community.

Mayor Janet Evans

The Community Vision for the Year 2026 (excerpt from the Sooke Official Community Plan 2001)

For the residents of Sooke, the community and its environs represent a special place that generates a strong loyalty. What makes Sooke special was clearly articulated in a variety of visioning statements provided by residents during the preparation of the OCP.

Integral to the vision is access to: wilderness areas and wildlife; the harbour/basin; the Sooke Hills; an attractive town centre; Sooke's heritage; and, arts and culture - "art is the heart of the community".

The vision of the District of Sooke in 2026 described below is drawn from a synthesis of residents' views on how they would like to see their community develop. The views were provided on comment sheets, at open houses and in workshops as part of the preparation of the Official Community Plan.

In 2026, the District is a growing community of 15,500 people.

The Downtown Core is a vibrant, attractive destination for residents and visitors. The implementation of design guidelines has established a village ambiance with quality development and vistas of the harbour/basin and the Sooke Hills. The mixed residential/retail/commercial development is on a human scale. There is a variety of community gathering places and small parks where people come together for festivals, community celebrations or to simply interact and relax. Galleries and artisan workshops are clustered in heritage style buildings, attracting tourists. Streets are narrower with boulevards, flowers and shade trees. Pedestrians and cyclists move easily, and there are even a few equestrians; cars are in the minority. From the Downtown there are views of the harbour/basin and access to the water and its activities. Access to Downtown is pleasant and easy along the system of trails linking District neighbourhoods.

The Waterfront *A seawalk extends along the waterfront, a favourite setting for local residents to stroll watching the activity on the water and marine life. The seawalk is also a destination for tourists, particularly attracted by a quay where fresh fish, produce, Sooke specialties and crafts can be purchased.*

Protected Areas *Part of the District's attraction is the identification and preservation of forest, plant, wildlife and marine habitats through the preparation of inventories. The protection of these areas has resulted in them being the focus of special tours by bicycle or kayak, with particular appeal to the global tourist.*

The Trail System *A network of linear green space provides safe trails for pedestrians, cyclists and horseback riders, free of vehicular traffic. The trails link the waterfront parks and upland parks to the District's public and private facilities.*

The Economy *Implementation of an economic development strategy has created a thriving community and generated a variety of jobs for young people in Sooke, allowing those interested in remaining to do so. Tourism is a prime driver of the economy because of the arts (performing and visual) and adventure vacationing. The community offers accommodations and activities for a range of visitors. Marine and waterfront businesses support tourism, but also commercial and industrial activity such as marine manufacturing and manufacture of value-added wood products. Industrial parks and sites accommodate a wide range of light, medium and heavy industrial developments, including continuing gravel processing. Work-live developments provide affordable and flexible accommodation for artisans and small technology/professional businesses.*

Residential & Community Services *The District of Sooke is a socially sustainable and inclusive community with housing options and supportive services for residents of all ages, including the elderly. The service infrastructure for the core area is well developed, supporting and attracting residents and businesses.*

With the above in place in 2026, the District's residents feel that the following sentiments expressed by a participant in the development of the OCP have been realized, "The future certainly looks bright for this area and I am proud to be a participant."

Message from the Chief Administrative Officer

Welcome to the District of Sooke 2006 Annual Report. We thank you for your interest in your local government. This report is based on the strategic direction and objectives of Council and reviews both the performance and achievements of District of Sooke Council during 2005 and looks ahead to 2006 and 2007. We have a hands-on Council and excellent staff to make things happen for Sooke.

As Chief Administrative Officer for the District of Sooke, my role is to provide leadership in the administration and execution of the objectives formulated by Council, develop and recommend alternative solutions to community problems for Council's consideration and to ensure that the planning and development of new programs will meet the future needs of the District. Amongst the numerous issues addressed in 2005, some major development projects were particularly significant. These included the successful completion of the wastewater treatment plant and sewer system, the East and West Boundary areas annexation to the District of Sooke and the acquisition of John Phillips park and trails within the District.

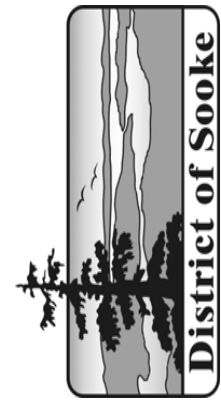
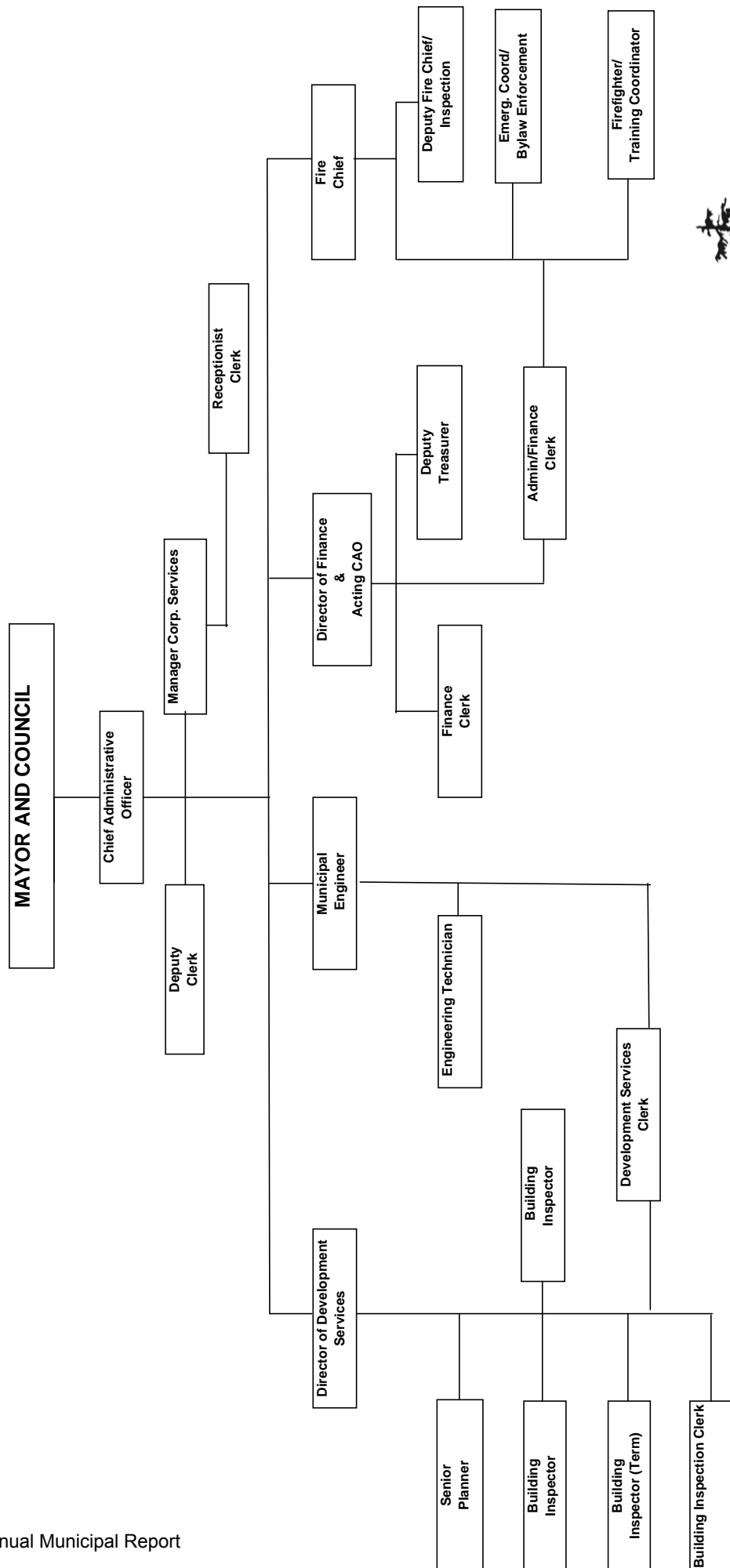
My responsibilities also include ensuring that the day-to-day activities of the District are carried out efficiently and effectively in order to provide affordable services to the taxpayer. Providing clear staff reports to Council, reflecting an acceptable process, is a priority as well.

This Annual Report is our formal report to the community and is one of the methods in which staff and Council can encourage better community relations. To find out more about the ongoing work of the District, I encourage you to visit our website at www.district.sooke.bc.ca.

Peter Jmaeff

Chief Administrative Officer

DISTRICT OF SOOKE PERSONNEL ORGANIZATIONAL CHART



Message from the Director of Finance

The Finance Department is responsible for budgets and financial planning, property taxes, accounts receivable, accounts payable, payroll, and grants-in-aid. The Finance Department also administers the District's purchasing policy and computer systems.

I am pleased to present the annual audited financial statements for the District of Sooke for the year ended December 31, 2005. The report provides a summary of the consolidated financial position and results of operations of the District, and is prepared in accordance with generally accepted accounting principles and recommendations of the Public Sector Accounting and Auditing Board (PSAB).

Section 98 of the Community Charter states that a Council must prepare an annual report and requires that the audited financial statements be included with the report. Responsibility for completeness and accuracy of the financial statements lies with the management of the District. Sufficient internal controls exist and must be maintained to ensure the integrity of financial information.

The independent audit firm of KPMG LLP was retained to complete an audit of the financial results and express an opinion with respect to the statements. The opinion presented indicates that the consolidated financial statements and results of operations present fairly the financial position of the District as at December 31, 2005. The financial statements are attached as an appended document to this report.

Debbie Carter, CGA

Director of Finance

2005 Financial Report

See Appended document.

Permissible Tax Exemptions (2005)

In accordance with Section 98(2)(b) of the *Community Charter*, the following properties in the District of Sooke were provided permissive property tax exemptions by Council for 2005:

Legal Description	Address	Value of Permissive Exemption
Lot A, Plan VIP61481, Section 2&3, Sooke Land District, Manufactured Home Reg. #66620 (PID 023-142-391)	Sooke Baptist Church 7110 West Coast Road	\$12,324.44
Lot B, Plan 18924, Section 3, Sooke Land District (PID 003-818-985)	Sooke Pentecostal Church 6851 West Coast Road	3,964.90
Lot 3, Plan 1169, Section 3, Sooke Land District: Taxation Action Section 13(d) (PID 007-838-166)	Holy Trinity Anglican Church 1962 Murray Road	2,316.34
Plan 1057, Sooke Land District, PT Sec 10 containing .48 Acre more or less being that pcl of land marked church on pl 1057 (lying south of Lot 14) Authority: Taxation Action Section 24(d) (PID 000-108-421)	Knox Presbyterian Church 2096 Church Road	3,613.13
Lot 1, Plan 9917, Section 15, Sooke Land District, Church Property Authority: Taxation Act Sec 13(d) (PID 000-349-909)	Juan de Fuca Seventh-Day Adventist Church 6251 Sooke Road	761.18
Lot 1, Plan 9247, Section 15, Sooke Land District, (PID 000-042-951)	Juan de Fuca Seventh-Day Adventist Church 6255 Sooke Road	925.14
Lot A, Plan VIP74513, Section 26, Sooke Land District, (PID 025-527-045)	Sooke Congregation of Jehovah's Witnesses 2207 Church Road	1,391.19
Lot 1, Plan 1540, Section 3, Sooke Land District, Authority: Taxation Act Sec 13 (Q) (PID 007-238-924)	Sooke Community Association Sooke Road	1,190.44
Plan 1540, Sooke Land District, Firstly: W ½ of Lot 8 Sec 3 Plan 1540 Secondly: Lots 9 and 10 Sec 3 Plan 1540: Taxation Act Section 13(Q) (PID 007-239-076)	Sooke Community Hall 2039 Shields Road	11,299.13
Lot 2, Plan VIP59555, Section 14, Sooke Land District, (PID 018-906-087)	Sooke Community Association Ballpark Thrup Road	5,604.73
Lot 1, Plan 5996, Section 14, Sooke Land District: Taxation Act Sec 13 (Q) (PID 005-936-497)	Sooke Community Association Parking Area and Ballpark Thrup Road	4,694.30
Parcel A, Lot 2, Plan 5996, Section 14, Sooke Land District, Authority: Taxation Act Section 13(Q) (PID 005-936-802)	Sooke Community Association Parking Area and Ball Park 6521 Thrup Road	1,232.20
Parcel A, Block 7, Plan 5855, Section 14, Sooke Land District, (DD200743-I) Authority: Taxation Act Sec 13 (Q) (PID 005-941-245)	Sooke Community Association Parking Area and Ball Park Thrup Road	1,252.07
Lot 2, Plan 17066, Section 15, Sooke Land District, Port=Except Plan 19346 Authority: Taxation Act Section 13(Q) (PID 004-132-289)	Sooke Community Association Fred Milne Park 2249 Sooke River Road	6,627.18

Permissible Tax Exemptions 2005: Cont'd.

Legal Description	Civic Address	Value of Permissive Exemption
Sooke Land District, Parcel F of Section 27 Authority: Taxation Act Section 13(Q), Manufactured Home Reg. #17036 (PID 009-374-591)	Sooke Community Association Park "Sooke Flats" 2039 Phillips Road	11,326.03
Plan 7017, Sooke Land District, Lot 4, Section 73, Plan 7017 Authority: Taxation Act Section 13(Q) (PID 005-801-818)	Sooke Community Association Parking Area and Ballpark Phillips Road	3,161.06
Plan 2451, Sooke Land District, Lot B, Section 3, Plan 2451 Authority: Taxation Act Sec 13 1(Q) (PID 006-576-290)	Sooke Lions Club Park Murray Road	2,481.92
Sooke Land District, Parcel B of Section 45 Authority: Taxation Act Section 13(Q) (PID 009-387-234)	Summer Camp of Brownies and Girl Guides Sooke River Road	3,491.90
Sooke Land District, That part of Sec 54 lying North of Victoria Pipe line Authority: Taxation Action Section 13(Q)	Camp Thunderbird Glinz Lake Road	1,808.55
Sooke Land District, North part of Section 55 Authority: Taxation Act Section 13(Q)	Camp Thunderbird Glinz Lake Road	1,917.86
Sooke Land District, Secs 56 & 57 Sooke and Parcel A of Sec 19 Otter and Sec 102 Sooke Authority: Taxation Act 13(Q) (PID 009-388-630)	Camp Thunderbird Glinz Lake Road	6,588.30
Block A, Section 59, Sooke Land District, Authority: Taxation Act Section 13(Q) (PID 009-388-702)	Camp Thunderbird Glinz Lake Road	3,100.38
Block A, Section 60, Sooke Land District, Authority: Taxation Act Section 13 (Q) (PID 009-388-729)	Camp Thunderbird Glinz Lake Road	2,792.33
Lot 2, Plan 15068, Section 3, Sooke Land District (PID 004- 171-306)	St. Vincent de Paul Society 6750 West Coast Road	5,320.00
Lot A, Plan VIP74590, Section 10, Sooke Land District (PID 025-545-582), except for that space occupied by the Ministry of Children and Family Development	Queen Alexandra Foundation for Children 2145 Townsend Road South	28,023.63
Lot A, Plan 18747, Section 0017, Sooke Land District (PID 003-773-272) for that area occupied by the Juan de Fuca Marine Rescue Society	Juan de Fuca Marin Rescue Society 7316 MacMillan Road	8,418.30
Sooke Land District, Sooke Harbour Authority on Government Wharf (water lot 193) for that area occupied by the Sooke Harbour Authority	Maple Avenue Wharf	51.56
Lot 193, Sooke Land District, Government Wharf on Water Lot 193 for that area occupied by the Sooke Harbour Authority	Maple Avenue Wharf	10,527.81
Lot B, Plan VIP69170, Section 73, Sooke Land District (PID 024-548-031)	Sooke Regional Historical Society Museum Phillips Road	27,777.02

Message from the Director of Development Services

I am pleased to submit the 2005 Development Services Department Annual Report, which summarizes the activities of the department during 2005.

The Development Services team is comprised of three divisions, Community Planning, Building Inspection, and Bylaw Enforcement. Staff within the department provided a variety of services to the community, including: building, demolition, plumbing and sign permits, as well as the processing of all land-use planning applications.

Our department experienced many challenges in 2005, including new ideas, strategies and plans for the future. I joined the department in June as the new Director of Development Services, and following in July Roger Lam filled the roll of Senior Planner. We are both looking forward to the challenges and opportunities of working with the community to plan a vibrant future. The planning team has worked hard to process applications and is initiating procedures and policies to streamline the planning process.

Staffing within the building division included the addition of Darrell Saby as our full-time building inspector, and Melissa Darou to assume the duties of the building inspection clerk. The division has worked hard to streamline the processing of applications in anticipation of the multitude of sewer connection permits to be applied for in 2006.

Many of the goals Council had hoped to achieve have yet to be completed. However, work continued on the Zoning Bylaw review. Work also continued on implementing the Regional Growth Strategy (drafting the Regional Context Statement).

The Development Services Team is looking forward to approaching 2006 with a full complement of staff and improving the quality and quantity of the service we provide to both residents of Sooke and the local development community.

Cheryl Wirsz

Director of Development Services

District of Sooke

Development Services Department



Annual Report 2005

Development Services Overview

The Development Services Department services the District of Sooke through the expertise of members of the Planning, Engineering, and Building Inspection Departments.

Staff provide support to the community in the following functions:

Community and Land Use Planning
Economic Development
Engineering Services
Parks Maintenance
Building Inspection
Bylaw Enforcement

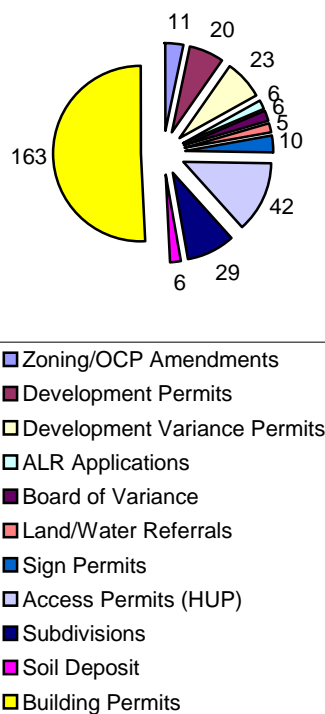
Department staff members provide a hands-on, team approach to providing valuable service to all segments of the community from large-scale projects to general enquiries.

The department consists of two planners, two engineers, an engineering technologist, two building inspectors and two clerks who handle all aspects of an increasingly busy District of Sooke.

The past year saw the completion of 27 km of sanitary sewer collection pipes as well as the wastewater treatment plant, marine outfall, and administration building, ahead of the June 2006 completion deadline. Property owners are now able to connect their properties to the sewer system and decommission their septic tanks.

Development in the District of Sooke continues to progress, with the receipt of 11 Zoning/OCP Amendment applications, as well as 29 subdivision applications which propose to add approximately 650 lots to our municipal boundaries. There were a total of 163 permit applications for 2005.

Number of Development Services Applications 2005



Revenues:

The Development Services Department charges fees for the various applications processed by each sub-department. The following is a highlight of approximate fees received for 2005:

- Building Permits \$222,225.47
- Zoning/OCP Amendments \$10,270.00
- Development Permits \$7,635.00
- Development Variance Permits \$6,060.00
- ALR Applications \$3,600.00
- Board of Variance \$375.00
- Sign Permits \$190.00
- Subdivision Applications \$36,950.00
- Soil Deposit Permits \$600.00

2005 Highlights

Engineering Department

- The Engineering department had an extremely busy year working toward the completion of the Sooke sanitary sewer project. Approximately 1,600 properties are now eligible to connect to the sewer system and will have until the end of 2006 to make their connection and decommission their septic systems.

Some of the work undertaken in conjunction with overseeing the project included:

- registration of statutory rights of way and easement documents for sewer lines installed across properties;
- investigation of each property in the sewer specified area to determine what type of connection they would require and whether or not a pump would be required;
- technical review and inspection of the various components of the project.

- Access to BC Transit service became easier for users of wheelchairs after the improvement of 11 Sooke bus stops to make them wheelchair accessible. The project was completed in partnership with BC Transit.

- Engineering staff are also responsible for reviewing and approving Highway Use Permits, Soil Deposit/Removal Permits and Subdivision applications. In the past year the Engineering Department received 29 new subdivision applications which could provide, once approved, an estimated 650 new lots within the District of Sooke.

- The Engineering Department received two new members, with Allan Eastgaard as our new



**CONSTRUCTION OF INTERIOR
TREATMENT PLANT WALLS**

Municipal Engineer, and Julie Rivet as our Civil Engineer for a one year contract.

- Two major bylaws were completed and adopted by Council, a sewer use bylaw, and a Development Cost Charge bylaw.

- The Stage 2 Liquid Waste Management Plan final draft was also completed.

- Subdivision of the John Phillips Memorial Golf Course property left the District with approximately 17 acres of new public park.

- Engineering staff were also responsible for administering the highways' maintenance contract for Sooke roads as well as ensuring street lighting issues are addressed.

2005 Highlights

Planning Department

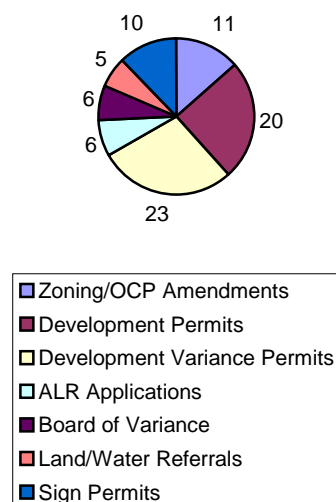
One of the major goals of the Community and Land Use Planning Department for 2005 was to improve public access to information on how the application process works. To meet this goal, the department has produced a number of informational packages to help applicants better understand how their application is being processed.

An informational flow chart has also been created for each planning department application, as well as building permit application. In addition, booklets explaining each Development Permit Area requirement are now available to the public. In the next year the department also plans to have explanatory brochures to accompany each application.

Other highlights of the past year include:

- The Planning Department received two new planners this year with our new Director of Development Services, Cheryl Wirsz, and Planner, Roger Lam.
- With a complete changeover in planning staff, the department took an internal look at how to make the processing of applications internally more efficient. Checklists, tracking databases, and other internal improvements are making application processing run more smoothly.
- In addition to processing applications, the Planning Department has spent the past year administering Council-appointed committees. Planning staff continue to work with the Zoning Bylaw Review Committee which hopes to have a new Zoning Bylaw completed as soon as possible.

Number of Planning Permits 2005



The John Phillips Memorial Park Committee continues to look at strategies for developing a new District park on a portion of the former golf course site.

- The Downtown Revitalization Committee spent the past year working toward creating a set of design guidelines for development in the downtown core, and the Sooke Program for the Arts, was created after the Sooke Outdoor Arts Program committee saw a shift in its mandate, and a new name. The committee actively pursued District involvement in the Spirit Bear Project which is currently underway, as well as working toward the implementation of a Municipal Arts Framework.
- Recognizing local veterans' contributions to our community was highlighted by the department with the addition of a new street naming policy which encourages developers to select from a list of veterans' names when choosing street names for their projects.

2005 Highlights

- Land Use Applications kept Planning Department staff busy with 81 planning-related applications covering rezonings, development and development variance permits and other applications being received.

Building Division

- The past year saw a decrease in overall building permit values, however, the department was still incredibly busy with the issuance of 163 building permits with a construction value of approximately \$19,518,835.00 and building permit fees of approximately \$222,225.00. Included in the total construction value is the District of Sooke's wastewater treatment plant, valued at \$4.7-million.

- Construction activity in 2005 saw 78 permits issued for new single family dwellings with a construction value of approximately \$13,893,301.00.

- While permit activity was down from the 257 permits issued in 2004, 2006 will be an incredibly busy year for inspectors as owners of each property within the sewer specified area are required to obtain a permit for their sewer service connection and decommission (at no charge).

- The Building Department was also actively involved in implementing a mandatory septic tank decommissioning bylaw, and is currently implementing a strategy for tracking the multitude of sewer connection permits that will be issued.



ED MACGREGOR PARK, ONE OF
MANY IN THE DISTRICT OF SOOKE

Parks Department

- Managing District of Sooke parks is a task overseen by the engineering department. The past year saw the preparation and tender of the Parks Maintenance Contract for District parks. Staff also completed a parks inventory, complete with maps, to highlight each park and its attributes.

- Staff also continue to manage the use of District parks through the park use permit process. Memorial donations to District parks are also managed through this department.

Message from the Fire Chief



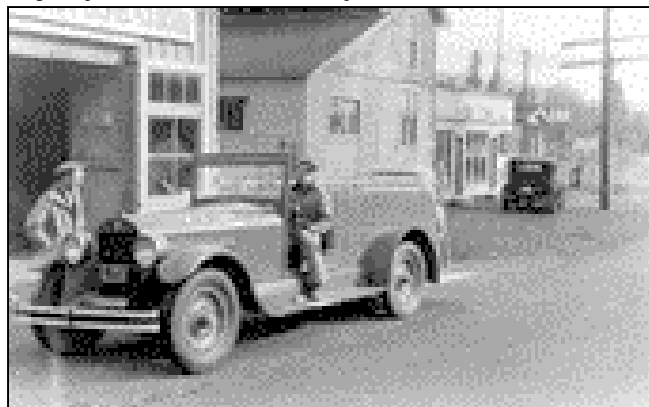
I would like to take this opportunity to express my heartfelt thanks to the men and women of the Sooke Fire Department for their efforts in the year 2005. The past year was a record year with respect to emergency responses. The members of the Department were more equal to the challenges they faced. Their dedication to training, both the minimum required and the specialized training, turning out at all hours of the day and night speaks to their dedication to the safety and well being of the residents of the community.

I would also like to thank the Sooke District Councils, both past and present, for the faith and support shown the Department. Without the support of council, the task of providing emergency services to the community would be even more challenging than it already is, if not impossible. They have and continue to show the wisdom and courage to enable the Department to deliver these services in the most effective and cost efficient manner possible.

The District was incorporated in 1999, that year the Department responded to 300 emergency calls, in 2005 the Department responded to 608 emergency calls. This is indicative of the ever-increasing demands being placed on the Department to answer the needs of the community. The call volume will continue to increase as the community grows placing great demands on the volunteers and their time. Efforts have been made and ideas will continue to be explored as to how to lessen the impact of increased call volume, on the members and their families.

The members not only respond to emergencies but also contribute thousands of hours to the training to ensure that they can deliver the best services to the community possible. In 2005 the members of the Sooke Fire Department conducted a total of 4970 training hours. This is equal to a total of 710 working days or 142 weeks of labour the members supplied to the District in addition to the emergency calls attended. This by no means is the total number of hours they contribute, as the Fire Fighters Association is very active in other community events and activities.

It is my honour to present a snapshot of the Departments activities for your review. The following contains detailed information with respect to Department activities of all Divisions within the Fire Department.



Sooke firefighters on board their first motorized apparatus – circa 1920

R.E. Kelsey, Fire Chief

Annual Inspection Report – 2005

Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Investigation	2	1	-	2	1	2	-	1	1	2	1	3	16
Daycare / Schools	-	1	-	-	-	-	1	5	1	1	-	-	9
Multi-Family	-	2	-	-	-	9	1	-	-	-	-	-	12
Business	12	9	4	5	2	6	1-	17	11	7	-	-	83
Public Assembly	6	3	1	-	1	2	1	1	-	2	-	-	17
Miscellaneous	-	-	-	-	-	1	-	-	-	-	-	-	1
Re-Inspection	-	-	2	-	-	1	-	1	1	1	-	-	6
Oil Burner / Oil Tank	1	1	6	7	2	2	2	1-	8	4	-	2	45
Class A Burning Permit – Site Inspections	2	1	2	-	1	-	-	-	-	-	-	1	7
Construction Inspection	-	-	2	3	1	3	-	-	-	-	-	-	9
TOTAL													189
Plan Reviews – Building	1	-	-	-	-	-	-	1	1	-	-	-	3
Subdivision / Zoning	5	2	3	2	-	2	13	-	1	4	1	6	39

A total of 189 inspections and re-inspections, 16 fire investigations and 42 plan and zoning reviews were completed this year. In addition to the inspection process, each of the building inspections completed this year was entered into a new computer data base program. While this is time-consuming initially, it will speed up the documentation process for all future inspections and once completed will allow easy access for comprehensive information to complete follow up inspections to ensure compliance with fire code issues.

Incidents & Emergency Responses

Statistical Information

Of the 608 incidents attended by Sooke Fire Department in 2005, the following information was determined:

- 248 calls occurred Monday – Friday during the hours of 6:00 am – 6:00 pm. This is time period when the least amount of volunteers are available.
- 360 calls were between the hours of 6:00 pm and 6:00 am on weekdays and also include weekends and statutory holidays. These are the times when no paid staff is on duty and all members respond as volunteers.
- The District of Sooke has two fire stations. The Sooke River Bridge divides the district geographically. Some incidents require only the response of one station, where larger calls will have both stations respond. Of the total 608 calls, 413 of the responses were in Number One Station area, 176 were in Number Two Stations area and 19 were for mutual aid calls.
- First Responder Calls accounted for 44% of the total call volume. Beginning in June of 2005 a first responder duty shift program was initiated. From the hours of 10:00 pm to 5:00 am, 2 firefighters are on duty for first responder calls. Along with the duty officer, these members are issued special pagers thus allowing all other members undisturbed sleep when a medical call comes in. If additional help is required or a second call comes in, all pagers are then activated. This program has worked remarkably well and is greatly supported by all fire department members.

- 12% of the calls were to motor vehicle accidents. Sooke has seen a steady increase in these types of incidents, in part due to the increasing number of vehicles on our roads.
- Burning complaints account for 18% of all calls. These can range from a simple smoke complaint to more serious fires that must be extinguished because of illegally burning material. 51 Class A burning permits were issued this year for machine built piles and land clearing.
- 5% of the total calls were for actual fires. This includes structure fires, automobile fires, brush fires, chimney fires and appliance fires. While not a significant amount of calls, these calls caused over \$1,000,000.00 in damage this year.
- False alarms, smoke detector activations, carbon monoxide detectors and similar devices accounted for almost 8% of the incidents attended. These numbers are also steadily rising as more buildings are constructed with fire alarm systems. In one instance, the fire alarm in an apartment building quickly notified residents of a fire in the stairwell, which they were able to contain before the fire department arrived.

The Fire Department in Action

Firefighters Challenged with Rescues, Spills and Fires in 2005

Sooke Firefighters faced a number of challenges throughout the year. Emergency calls reached an all time high of 608 responses in 2005. Of the total 14 were for structure fires, 266 were first responder medical calls, 75 were to motor vehicle accidents and 4 rope rescues. Some of the more dramatic moments included:

- The rescue of an injured worker who fell about 4 meters into the new sewage treatment plant while it was under construction. Using a crane and rope rescue techniques the severely injured man was brought to a waiting helicopter for transport to hospital.



- A dramatic fire at the Sooke Anglican Church completely destroyed the building despite an aggressive attack by firefighters. The old wooden building did not stand a chance against the massive fire.

• A huge propane leak at the Sooke Pay Less Gas Station forced the evacuation of surrounding businesses and the closure of Sooke Road for over 3 hours. Over 600 litres of propane leaked from the tank before firefighters were able to control the problem. Firefighters performed above and beyond the call of duty to prevent a major catastrophe.



Fire Investigation

Several Vandalism and Arson Fires Investigated in 2005

Juvenile fire setting seemed to be on the rise in 2005 with several fires set at various locations. Investigations of these fires by Sooke Fire Department and RCMP led to a number of charges being laid against several young offenders.

Incident Recap

Incident Type	1999	2000	2001	2002	2003	2004	2005	2006
FIRES								
Chimney Fire	9	12	16	17	15	7	8	
Appliance Fire	7	8	7	3	2	4	3	
Vehicle Fire	8	9	7	4	10	16	10	
Wildland Fire	22	25	18	16	17	21	9	
Burning Complaint	63	75	79	99	108	105	109	
Spill / Leak with Fire	2	1	0	4	2	3	2	
Explosion	0	1	1	0	2	2	1	
Dumpster	n/a	n/a	n/a	n/a	n/a	n/a	1	NewCategory
RESCUE								
First Responder	94	191	184	150	183	238	266	
Rope Rescue	0	6	1	1	3	4	4	
Motor Vehicle Accident	25	50	51	50	48	70	75	
Water Rescue	0	2	2	1	7	1	0	
HAZARD MATERIALS								
Fuel Spill – No Fire	11	14	11	10	12	9	19	
Explosives	0	0	0	0	0	1	0	
Power Lines Down	7	3	5	5	9	9	6	
Arcing / Shorting	2	5	4	4	9	7	5	
Chemical Emergency	0	1	2	0	2	2	1	
Locked in or out	0	0	0	0	1	0	3	
NON EMERGENCY								
Assist Police	1	3	8	3	7	8	12	
Smoke / Odour Removal	2	0	3	3	1	4	1	
Animal Rescue	0	0	0	0	0	1	1	
Investigation Only	3	6	4	4	5	14	4	
ALARMS								
Smoke Sighting	5	4	1	4	3	17	6	
Sprinkler Activation	0	1	0	0	2	2	0	
Detector Activation	0	17	6	16	24	22	19	
Steam / Exhaust Mistaken	3	1	0	0	12	1	1	
CO Detector	n/a	n/a	n/a	n/a	n/a	n/a	2	New Category
FALSE ALARMS								
Malicious False Alarm	1	1	1	6	2	3	3	
Accidental Alarm	18	8	7	4	11	9	14	
System Malfunction	7	3	2	4	9	8	9	
TOTAL CALLS	300	458	432	421	522	598	608	18 to Jan 11

Membership

Officers of the Sooke Fire Department

The Sooke Fire Department is divided into three platoons. Each platoon is headed by a Captain overseeing two Lieutenants and up to ten firefighters. The officer positions are filled from the membership, however many requirements are needed to fulfill the position.

Lieutenant: Minimum requirements are; Five years of service. Completion of Firefighter Level 1 and Level 2, Pump Operator / Driver, Fire Service Instructor Level 1 and Fire Officer Level 1.

Captain: In addition to the above, a Captain must have a minimum of seven years of service, Fire Service Instructor Level 2 and Fire Officer Level 2.

Firefighters

Firefighters in the Sooke Fire Department undergo a fairly rigorous program before becoming active members of the department. All potential candidates are screened and tested before being eligible for basic training that begins in September of each year. Recruits attend Wednesday nights for 2 to 2 ½ hours each session and undergo 3 months of basic training. At the end of this period a practical test is held for each new member. If successful the recruit receives a pager and key and can begin attending calls. Starting in January these new recruits are on six months probation and continue their training program, meeting once a week for another 2 to 2 ½ hours per session. At the conclusion of this period, usually mid June the probationary firefighters will have completed Firefighter Level 1 training and will face another practical exam as well as a 100 question written test. If successful, they become regular firefighters and begin training with the other members.



Recruit firefighter completing ventilation exercise for their final practical exam



Rope Rescue Training



Firefighters hose down remains of the Anglican Church fire.

Having three members qualified to the high angle and confined space standards has assisted the department in implementing our own rope rescue training program. Utilizing the knowledge and experience of these three members and information from the ROCO Rescue curriculum, we have been able to provide 95 percent of the department with the basic knowledge and skills to conduct rope rescue operations. We will continue to improve this package and provide members with the opportunity to attend additional certified courses. As the sewer systems come on line, we are looking at enhancing our confined space abilities with equipment and training to be able to deal with these types of emergencies in the future.

Firefighter Training

The Sooke Fire Department conducted a total of 4970 training hours.



Major highlights in training for the fire department were, having three members attend a ROCO Rope Rescue Level One at the Central Saanich Fire Department and becoming certified in high angle rope rescue and confined space rescue awareness.

The department was presented the opportunity to conduct helicopter landing zone training, with the Department of National Defence and the HS443 Maritime Helicopter Squadron of Pat Bay. We were able to conduct inter agency operations and communications and practice landing helicopter and working with other units outside of British Columbia ambulance service.



The department also took on 8 new recruits this year, including starting up our junior fire fighter program again. They have completed their initial three months of basic training and were issued pager to start attending incidents. The recruits are now on 6-months probation and will complete the level one fire fighter curriculum prior to becoming full department members, in June 2006.



Use of the Otter Point Fire Department Training facility has given our Department the opportunity to conduct basic fire fighting skills and drills, conduct firefighter self rescue techniques and also some rapid intervention team procedures and drills.

Auto extrication training is ongoing as members of the department continue to maintain and improve their skills in this area. Additionally, the fire department has always supported the members to attend and participate in extrication competitions, which will greatly enhance the abilities of these members and allow them to get new ideas from other departments.

Fire Prevention & Public Education

Highlights and Activities

This energetic group of members of the Sooke Fire Department promote fire safety in the community by providing training to local schools, daycare centres, seniors groups and more in such areas as:

- Fire Extinguisher Training
- Home Fire Safety
- Child Car Seat Installation
- Juvenile Fire Setter Intervention Program
- Fire Station Tours
- Western Community Fire Safety Expo for Grade 4 students
- Fire Safety House Presentation for Grade 3 students
- Annual Fire Chief for a Day Contest



Congratulations to the Public Education Committee members on winning the BC Firefighter Association's – 2005 Provincial Fire Prevention Award –known as the "Al Lonnenburg" Award. This award is presented annually to the BC Fire Department that "Initiates the greatest effort to its community to fight fires pre ignition." Headed up by Deputy Chief Sorensen, committee members include: Shelly Sorensen, Nikki Lewers, Cathie Anderson, Jenny Greczmiel and Donna Hof.

Fire Smart Program

The Public Education Committee began a program to evaluate properties that are considered to be within the wildland/interface zone and at risk from a major wildfire. Each home visited was surveyed using the Provincial Fire Smart Program guide and homeowners were provided with a copy of the survey along with suggestions on how they can help limit the chances of a wildfire affecting their property. Items such as removing vegetation from around and below decks were one of the suggestions provided. Response from the public was well received and is hoped that this program can continue in future years. All homes visited will be catalogued in a new reference guide to provide firefighters with a comprehensive view of the types of homes, geographical features, access problems, water supply issues and other important information that may be necessary if we face a major interface fire such as we experienced in Kelowna, Kamloops and other areas of the Province in past years.

Sooke Firefighters Association

Firefighters Association Undertakes Many Projects.

The Sooke Firefighters Association undertook a number of activities this past year. Some of the highlights included:

- The Fifth Annual Firefighters Fitness Challenge. Held during the month of May at Fire Station 1, up to 50 competitors from fire departments across Vancouver Island show off their skills in a variety of strenuous events. Prizes are awarded for various age group categories. All money collected is donated to the Muscular Dystrophy Association of Canada.
- Members of the department spent many hours converting a fire truck into a Christmas Train in the annual Western Communities Fire Truck Parade. This year the group placed third. That same week, firefighters decorated three different trucks to drive Santa through Sooke giving candy canes to the children and collecting food for the Sooke Food Bank. Two pickup truck loads of food were collected this year.
- The annual Safe Halloween Haunted House was another huge success. Well over 1000 children and adults take this frightful tour each year. Firefighters spend 100's of hours converting the apparatus bays into a different nightmare each year. This year, a pirate theme was used.



Communications

Crest Radio System Update

Safe effective communications is critical to both emergency and non-emergency operations. The safety of members and the public is dependant on communications.

The CREST radio system is the backbone of the Departments communications program. The system is a initiative of the CRD for all emergency service providers in the Greater Victoria. All the municipalities from Sidney to Sooke including the electoral areas are users of this radio system. All the participants including the RCMP and BCAS are members of the Board and costing is determined by using a weighted formula of use and population.



Police Services:

The District of Sooke contracts with the RCMP for law enforcement for the municipality. The Sooke detachment provides the District of Sooke with one Staff Sergeant, two Corporals, ten Constables and three Public Service employees. Six Auxiliary Constables, a part time Victim Services worker, and several volunteers, who work in Victim Services and citizen crime watch patrol, are also provided. Bike patrols are provided on a part-time basis.

The Sooke RCMP Detachment is responsible for policing a very large geographic area. The 800 square miles encompasses East Sooke, District of Sooke, Otter Point, Shirley, Jordan River, Port Renfrew, Sooke First Nations, Beecher Bay First Nation, Pacheedaht First Nation, and a portion of Pacific Rim National Park. The Sooke Detachment currently has 14 uniformed police officers, 3 public service employees and 1 Victim Services Coordinator. Six Auxiliary Constables and several volunteers who work with Citizens on Patrol, Speed Watch, Victim Services, Restorative Justice and the Sooke Community Consultative Group are also provided.

The detachment has an average crime rate when compared across the Province. It is slightly higher than the areas surrounding us. The calls for service are relatively high and this is most notable during the summer months. The size and geography of the area pose challenges. The detachment is working closely with the District of Sooke Council, the Federal and Provincial Governments and our other partners to ensure that we have the necessary resources and equipment to perform our duties in an efficient manner. In 2005, there were a total of 4,680 calls for service in the District of Sooke, and an additional 950 calls in the outlying areas.

The members of the Sooke RCMP are committed to doing their core duties well. High visibility policing, police leadership and police integrity are very important and fundamental to the achievement of their strategic plan. The plan provides the framework for key decisions within the Sooke RCMP as to how they meet the challenge of increasing calls for service from the public. The policing resources are carefully and efficiently managed to meet the expectations of the communities that they serve. This Strategic Plan is another step to ensure that they are able to maintain and improve the high quality police service that is being provided.

The detachment members pride themselves on being highly visible and approachable. Their goals are established yearly to meet the needs of the District of Sooke and the outlying areas.



Staff Sgt. Roger Plamondon

Emergency Program

Emergency Preparedness and Coordination for the District of Sooke is the responsibility of one staff member on a part-time basis.

Highlights

- The emergency radio communications capability of the Emergency Operations Centre (EOC) has been increased by means of two federal funding support initiatives applied for in 2004. Two new initiatives were applied for in 2005 for delivery in 2006.
- Industry Canada has approved the radio call sign of VA7 SOK) for the municipality of Sooke. The BC amateur emergency coordination committee has approved the municipal frequency of 146.460 MHz. Any member of the public holding an amateur band ISTC licence is invited to call in to the Wednesday evening neighbourhood check-in between 1845 and 1900 hours.
- Several neighbourhoods participated in the fledgling Neighbourhood Emergency Preparedness Program (NEPP). The Emergency coordinator regularly makes public presentations to schools, ad hoc groups and service clubs as well as hosting a booth at the annual Sooke Rotary Auction.
- Some municipal staff training has been conducted on a weekly basis. One staff member has undertaken and received certification for the introductory Incident Command System and introductory Emergency Operations Centre self study courses.
- Critical Incident Stress Management team participation by Sooke's Emergency Coordinator on a reciprocal agreement with the Victoria Emergency Social Services team assists with positive relationships with their very strong program that could be called to assist Sooke.
- The continued strong cooperation with the Mid-Island Emergency Coordinators and Managers (MIECM) provides for regular common emergency plan updates and significant and well trained practical assistance in time of crisis. One element of this is Sooke's formal Emergency Management Agreement (EMA) with the Cowichan Valley Regional District.



2005 Progress Report

The following presents the progress report on 2005 Municipal objectives. Council and staff will continue to work towards completion of many of the 2005 and 2006 objectives into 2007.

Safe and Liveable Community:

<i>Goal:</i>	<i>Objectives:</i>	<i>Progress</i>
Promote Construction and Development of Affordable Housing	<ul style="list-style-type: none"> Review options in zoning bylaw during review. - Be aware of added costs to housing by the municipality - Work with UBCM to develop alternate revenue sources for development of low cost housing - check adjacent jurisdictions Review strategies in Regional Growth Strategy 	Ongoing
Establish Minimum Standards for Existing Housing	<ul style="list-style-type: none"> Applicable to landlords of below standard rentals, review workable solutions utilised in other communities, including CAO forums, local CAO meetings, Civic Info website 	Ongoing
Promote Seniors Multi Level Care Housing	<ul style="list-style-type: none"> Continue with lobby efforts 	Ongoing
Improve East Entrance to the Community (Welcome to Sooke viewpoint, signage, tagline)	<ul style="list-style-type: none"> Improve aesthetics of boulevards in front of Edward Milne Community School and St. Rose of Lima Church - Review low capital cost and low maintenance cost options for improvement of boulevards - Discuss maintenance sharing - Budget in 2005, possibly from casino revenue Create viewpoint at Cooper's Cove - Review opportunity for acquisition through development approval - Review width and availability within highway right of way or other public land 	Ongoing
Improve Waterfront Access	<ul style="list-style-type: none"> Look at budgeting improvement of other waterfront sites, eg. Idlemore Road right of way Search for partners to assist in improving sites Continue pursuing harbour walkway opportunities (Phase 1, Neighbourhood Acceptance) 	Ongoing
Establish Trail Network	<ul style="list-style-type: none"> Ensure "informal trails" are identified in the Official Community Plan and are acquired when properties are developed 	Ongoing
Policing Contract	<ul style="list-style-type: none"> Quarterly discussions between NCO i/c and Council to set priorities and discuss service level Monthly discussions between NCO i/c and Council as above 	Ongoing
RCMP School Liaison	<ul style="list-style-type: none"> Consider at budget time 	Completed
Support Park Watch Program	<ul style="list-style-type: none"> Budget support to a maximum of \$3,500 	Completed

Governance:

<i>Goal:</i>	<i>Objectives:</i>	<i>Progress</i>
Improve Cooperation Between Community Groups and Intergovernmental Agencies	<ul style="list-style-type: none"> Utilize conflict resolution moderator or skills where needed (e.g. Sooke Community Association) Continue dialogue with T'Sou-ke Nation (joint meeting) Improve relationship with Juan de Fuca Electoral Area Sooke and Electoral Area Parks and Recreation Commission: look at long term operation; research what occurred at Juan de Fuca Recreation Council adopt role of catalyst for community cooperation 	Ongoing
Communication with Community	<ul style="list-style-type: none"> Public awareness: <ul style="list-style-type: none"> - publish and publicize annual report, goals, accomplishments - Identify multiple communication techniques and determine best venues; quality dialogue; better event attendance; maximize transparency Maintain community vision Encourage youth involvement: involve in specific projects whenever possible 	Ongoing – Regular Newsletter Ongoing Ongoing
Ensure Fiscal Responsibility in Staff Resources	<ul style="list-style-type: none"> Be cognizant of workload when assigning work; regular meeting between Council and CAO and senior staff as applicable. Determine what staff levels required to ensure Council expectations are met, a positive work culture and avoid staff burnout 	Process established
Communication with Staff	<ul style="list-style-type: none"> Hold workshops: Council once a month with Chief Administrative Officer and twice yearly with staff 	Ongoing
Staffing Plan - Sewers Workload	<ul style="list-style-type: none"> Development of Long Term Staffing Plan 	Completed
Establish Sooke Harbour Commission as long-term possibility	<ul style="list-style-type: none"> Research cost/benefit and cost/revenues Discuss with Sooke Harbour Authority Society & Sooke Harbour and Basin Water Quality Advisory Commission 	Ongoing
Develop Capital Priorities List:	<ul style="list-style-type: none"> Established 2005 	Ongoing
Council to plan for utility infrastructure needs for growth taking into consideration current infrastructure condition, funding sources and capacity	<ul style="list-style-type: none"> Review inventory of existing & future needs Cross reference to funding sources Establish and apply capital priority criteria Final report 	
Develop alternative budget reconciliation strategies.	<ul style="list-style-type: none"> Established 2005 Determine: Capacity for future growth; Alternate service delivery; Alternate revenue options; Current service improvements; Core services Prepare service inventory Workshop service review Establish services policy Initiate service improvement program 	Ongoing

Planning:

<i>Goal:</i>	<i>Objectives:</i>	<i>Progress</i>
Complete Zoning Bylaw Review	<ul style="list-style-type: none"> Committee to present zoning bylaw 	Ongoing
Establish Development Cost Charges	<ul style="list-style-type: none"> Establish road and sewer DCCs Consider parks and storm drain DCCs 	Completed Ongoing
Implement Regional Growth Strategy	<ul style="list-style-type: none"> Deal with context statements Council members take active role in implementation studies especially transportation study (Phase I) 	Ongoing
Controlled Growth Management and Tools- Council to direct the development of growth management tools and strategies for the purpose of maintaining quality of life and protecting the environment.	<ul style="list-style-type: none"> Established 2005 Research best practices Identify key issues and review recommendations Seek public input Draft Growth Management Strategy 	Ongoing

Infrastructure/Engineering:

<i>Goal:</i>	<i>Objectives:</i>	<i>Progress</i>
Construct wastewater collection system, treatment plant and disposal system	<ul style="list-style-type: none"> Draft Council policy for additional properties to be in Sooke Core Sewer Specified Area Continued monitoring of the construction of the sewer system and wastewater treatment plant 	Ongoing
Construct road network as identified in Traffic Plan 2000	<ul style="list-style-type: none"> Implement development cost charges bylaw to generate revenue 	Completed
Ministry of Transportation - Global Traffic Study: Plan for long-term transportation vision	<ul style="list-style-type: none"> Established 2005 MOT: hire a consultant; design process; public process; draft report 	Ongoing
Second Crossing Over Sooke River	<ul style="list-style-type: none"> Plan for eventual second crossing over Sooke River and identify location in long-term transportation vision 	See MOT - Global Traffic Study
North Sooke Water System Expansion in 2007	<ul style="list-style-type: none"> Established 2005 Continued dialogue with the Capital Regional District Water department Monitor application for BC/Canada Infrastructure Grant 	Ongoing
Construct Sidewalks in Core Area	<ul style="list-style-type: none"> Develop strategy to identify phasing of sidewalk construction funded by District of Sooke Budget annually minimum funds for construction Establish policy allowing local improvement area 	Ongoing
Complete Liquid Waste Management Plan	<ul style="list-style-type: none"> Sewage: Stages 1 & 2 Stormwater: Inventory in Council budget; Policies, issue identification in 2005 	Complete 2006
Complete Drainage Plan	<ul style="list-style-type: none"> Develop policy on responsibility and priority for municipal responsibility 	See LWMP Stormwater

Economic Development:

<i>Goal:</i>	<i>Objectives:</i>	<i>Progress</i>
Investigate Cost-Sharing Charters Nature Interpretive Centre	<ul style="list-style-type: none"> • Liase with community groups investigating issue • Report to Council 	Ongoing
Promote Downtown Revitalization	<ul style="list-style-type: none"> • Council direct the development of a comprehensive redevelopment plan for the Sooke core based on objectives outlined in existing documents such as OCP and Subdivision and Development Standards Bylaw, and containing the following components: infrastructure development and replacement; land use; aesthetics; economic development; implementation tools 	Ongoing
Downtown Revitalization Committee	<ul style="list-style-type: none"> • Established 2005 • Public consultation • Draft discussion paper • Review and directions • Presentation to Council • Final report 	Ongoing
Promote New Investment	<ul style="list-style-type: none"> • Coordinate effort to develop community consensus for a marketing strategy 	Ongoing
Industrial Park	<ul style="list-style-type: none"> • Economic Development Commission Review of Report 	Ongoing

2006 Municipal Goals and Objectives

Under the *Community Charter*, each municipality in British Columbia must clearly state its objectives for the coming year. As a young municipality, the District of Sooke is establishing specific goals and objectives for municipal procedures, infrastructure and projects. In January, 2006, the new-elected District of Sooke Council met to establish corporate or council priorities for 2006.

First Goal: Zoning Bylaw Review

Completion Date: Ministry of Transportation approval by October 2006

- Zoning Bylaw Review Committee is in place
- Zoning bylaw required to provide clear direction to public (developers), reduce staff stress, streamline applications, identify targets for OCP review.

Second Goal: Transportation Plan

Completion Date: July 2006

- Ministry of Transportation is currently conducting long-term transportation study
 - District of Sooke will consider targets identified in the Zoning Bylaw review
 - Determine Highway 14 Corridor, Parallel Connector and links with Downtown Revitalization plans
- MOT Highway 14 Urban Study delayed due to lack of topographic information with District of Sooke*
Construction of Grant Road extension has been included in the 2006 budget
Links in 2000 Traffic Plan incorporated in Downtown Revitalization Plan

Third Goal: Economic Development Strategy

Completion Date: July 2006

- Determine a delivery model for economic development (ie. coordination, partnerships)
- Council Direction as to:
 - a. Policy – role and delivery of economic development (ie. contracting out)
 - b. Structure
 - c. Budget
- Broaden the commercial/industrial tax base
- Consider Regional growth

Fourth Goal: Official Community Plan Review

Completion Date: Present review process outline to Council by December 2006

- An Official Community Plan may be reviewed every five years

Fifth Goal: Council Meeting Procedure Bylaw Review

Completion Date: June, 2006

- The Council Procedure Bylaw to be reviewed to determine changes by which the District of Sooke conducts its meetings.

Sixth Goal: Downtown Revitalization

Completion Date: Draft guidelines to Committee of the Whole by November, 2006

- The Downtown Revitalization Committee has been working towards creating a set of design guidelines for re-development in the downtown core.

OPERATIONAL STRATEGIES	
<u>CHIEF ADMINISTRATIVE OFFICER</u> 1. Staffing Levels 2. Economic Development Strategy 3. Silver Spray Bylaw	<u>CORPORATE SERVICES</u> 1. Mayor and Council 2. Procedure Bylaw June 3. CRD Vacancy June 4. Policy
<u>FINANCE</u> 1. 2006 Budget April 2. Capital Plan May 3. GST Audit March 4. Long Term Plan 5. IT setup 6. Sewer Management May	<u>PLANNING</u> 1. Development Process June 2. Zoning Bylaw 3. RGS Context Statement 4. OCP Review 5. Downtown Revitalization
<u>ENGINEERING</u> 1. Townsend Road 2. Transportation Plan 3. Sewer Boundary 4. LWMP (Stormwater) 5. LWMP (Sanitary Sewer)	<u>FIRE</u> 1. Contracting out fire services 2. Third Hall feasibility

Declaration and Identification of Disqualified Council Members

Nothing to report.

Making a Presentation to Council:



District of Sooke Council welcomes discussion with the public. Unless otherwise determined by Council resolution, written notice must be provided in order for a person or group to appear before Council or the Committee of the Whole. The written submission must be filed with the Corporate Officer prior to preparation of the agenda. The submission must include the subject matter to be discussed, the intended proposal or request, and the name(s) of person(s) who will address Council.

Council may address the petition or submission at the meeting, refer to a committee, or take such other action as it deems appropriate. Every delegation may present for 10 minutes, although this may be extended by Council resolution.

Regular Council meetings take place on the second and fourth Monday of each month, except on holidays. Agenda packages are available at the Municipal Hall from Friday noon before the meeting or on the Municipal Website www.district.sooke.bc.ca.

Audited Financial Statements of the

DISTRICT OF SOOKE

Year ended December 31, 2005

DISTRICT OF SOOKE

Municipal Council

2005

MAYOR

Janet Evans

COUNCILLORS

Rick Armour

Sheila Beech

Ron Dumont

Rick Kasper

Brenda Parkinson

Jen Smith

~~~~~

## OFFICIALS

Chief Administrative Officer

Peter Jmaeff

Director of Finance

Debbie Carter

~~~~~

Auditors

KPMG LLP

Solicitors

Lidstone, Young, Anderson

Bankers

Canadian Imperial Bank
of Commerce

Police

RCMP - Sooke Detachment

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The following financial statements are prepared in accordance with  
Section 167 of the Community Charter.

# DISTRICT OF SOOKE

Audited Financial Statements

Year ended December 31, 2005

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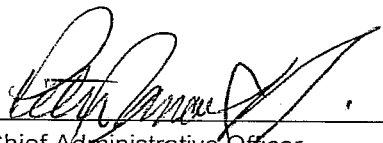

## FINANCIAL REPORTING RESPONSIBILITY

The accompanying financial statements of the District of Sooke (the "District") are the responsibility of management. To ensure their integrity, objectivity and reliability, management has selected appropriate accounting policies that are consistent with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The financial statements necessarily include some amounts that are based on estimates and the judgment of management with appropriate consideration to materiality.

The District's accounting systems and related internal controls and supporting procedures are designed and maintained to provide reasonable assurance that financial records are complete and accurate and that assets are safeguarded against loss from unauthorized use or disposition. The procedures include training and selection of qualified staff, the establishment of an organizational structure that provides a well-defined division of responsibilities, accountability for performance and communication of standards of business conduct.

The Municipal Council oversees management's responsibilities for the financial reporting and internal control systems. Council meets periodically with management and the independent auditors to satisfy themselves that management's responsibilities are properly discharged and to review and receive the consolidated financial statements.

KPMG LLP, Chartered Accountants, the independent auditors appointed by the District, have examined these financial statements and issued their report, which follows. The auditors have full and unrestricted access to the Council to discuss their audit and their related findings as to the integrity of the financial reporting process.

  
\_\_\_\_\_  
Chief Administrative Officer  
\_\_\_\_\_  
Director of Finance





KPMG LLP  
Chartered Accountants

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## AUDITORS' REPORT TO THE MAYOR AND COUNCILLORS OF THE DISTRICT OF SOOKE

We have audited the consolidated statement of financial position of the District of Sooke as at December 31, 2005 and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the District's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

*KPMG LLP*

Chartered Accountants

Victoria, Canada

April 7, 2006



# DISTRICT OF SOOKE

## Consolidated Statement of Financial Position

## Statement A

December 31, 2005, with comparative figures for 2004

|                                                            | 2005          | 2004          |
|------------------------------------------------------------|---------------|---------------|
| <b>Financial Assets</b>                                    |               |               |
| Cash and short-term investments (note 2)                   | \$ 2,335,513  | \$ 3,826,889  |
| Taxes receivable                                           | 393,160       | 307,758       |
| Accounts receivable (note 3)                               | 2,950,687     | 4,083,478     |
| Other assets                                               | 13,035        | 51,432        |
| Total financial assets                                     | 5,692,395     | 8,269,557     |
| <b>Liabilities</b>                                         |               |               |
| Accounts payable and accrued liabilities (note 4)          | 4,176,920     | 1,379,082     |
| Deferred revenue (note 5)                                  | 144,757       | 23,099        |
| Deposits and bonds                                         | 126,837       | 11,360        |
| Employee benefit obligations (note 6)                      | 63,947        | 55,417        |
| Lease obligations (note 7)                                 | 709,184       | 768,945       |
| Municipal Finance Authority interim financing (note 16(e)) | 8,487,451     | 6,114,347     |
| Long-term debt (note 8)                                    | 693,030       | 729,859       |
| Total liabilities                                          | 14,402,126    | 9,082,109     |
| Net financial liabilities                                  | (8,709,731)   | (812,552)     |
| Capital assets (note 9)                                    | 29,565,639    | 13,795,344    |
| Net municipal position                                     | \$ 20,855,908 | \$ 12,982,792 |

## Municipal Position

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| General Revenue Fund (Schedule A)    | \$ 358,920    | \$ 3,231,100  |
| Capital Fund (Schedule B)            | -             | -             |
| Sewer Capital Fund (Schedule C)      | (1,587)       | 2,994,319     |
| Reserves Fund (Schedule D) (note 10) | 822,601       | 575,180       |
| Equity in capital assets (note 11)   | 19,675,974    | 6,182,193     |
| Municipal position                   | \$ 20,855,908 | \$ 12,982,792 |

Commitments and contingencies (note 16)

See accompanying notes to financial statements.



Director of Finance

# DISTRICT OF SOOKE

## Consolidated Statement of Financial Activities

## Statement B

Year ended December 31, 2005, with comparative figures for 2004

|                                                                             | Budget<br>2005 | Actual<br>2005 | Actual<br>2004 |
|-----------------------------------------------------------------------------|----------------|----------------|----------------|
| Revenue:                                                                    |                |                |                |
| Net taxes available for municipal purposes (note 12)                        | \$ 2,803,243   | \$ 2,794,523   | \$ 2,473,430   |
| Net payments in lieu of taxes available for<br>municipal purposes (note 13) | 17,000         | 19,701         | 17,785         |
| Sales and user fees                                                         | 28,100         | 50,743         | 123,214        |
| Government transfers and grants (note 14)                                   | 9,111,783      | 7,979,384      | 3,991,925      |
| Capacity allocation purchase                                                | 2,500,000      | 354,502        | -              |
| Investment income                                                           | 75,000         | 90,255         | 90,641         |
| Penalties and fines                                                         | 80,000         | 74,537         | 76,270         |
| Licenses and permits                                                        | 275,900        | 352,259        | 376,257        |
| Lease and rental                                                            | 64,495         | 58,194         | 70,642         |
| Donations and contributions                                                 | -              | 9,725          | 79,917         |
| Casino revenue sharing                                                      | 200,000        | 233,892        | 206,619        |
|                                                                             | 15,155,521     | 12,017,715     | 7,506,700      |
| Expenditure:                                                                |                |                |                |
| General government services:                                                |                |                |                |
| Legislative                                                                 | 106,775        | 108,409        | 92,315         |
| Administrative                                                              | 861,665        | 875,863        | 800,636        |
|                                                                             | 968,440        | 984,272        | 892,951        |
| Protective services:                                                        |                |                |                |
| Policing                                                                    | 1,100,400      | 1,055,123      | 808,893        |
| Fire protection and emergency response                                      | 651,056        | 592,178        | 694,761        |
| Inspection and bylaw services                                               | 216,327        | 203,217        | 171,460        |
|                                                                             | 1,967,783      | 1,850,518      | 1,675,114      |
| Engineering and development:                                                |                |                |                |
| Roads, inspections and development                                          | 857,170        | 598,389        | 559,800        |
| Sewer                                                                       | 16,500,000     | 15,689,239     | 6,599,887      |
|                                                                             | 17,357,170     | 16,287,628     | 7,159,687      |
| Community services:                                                         |                |                |                |
| Public health                                                               | 73,463         | 70,963         | 67,460         |
| Recreation and parks                                                        | 429,886        | 429,654        | 764,954        |
|                                                                             | 503,349        | 500,617        | 832,414        |
| Development services:                                                       |                |                |                |
| Planning                                                                    | 274,508        | 255,917        | 237,183        |
| Economic development                                                        | 74,429         | 35,942         | 38,183         |
|                                                                             | 348,937        | 291,859        | 275,366        |
| Total expenditure (note 15)                                                 | 21,145,679     | 19,914,894     | 10,835,532     |
| Excess of expenditure over revenue                                          | (5,990,158)    | (7,897,179)    | (3,328,832)    |
| Debt principal repaid                                                       | (38,073)       | (36,829)       | (46,933)       |
| Debt proceeds                                                               | 5,200,000      | 2,373,104      | 6,114,347      |
| Lease principal repaid                                                      | (52,955)       | (59,761)       | (57,044)       |
| Lease proceeds                                                              | -              | -              | 138,950        |
| Change in fund balance                                                      | \$ 881,186     | \$ (5,620,665) | \$ 2,820,488   |

See accompanying notes to financial statements.

# DISTRICT OF SOOKE

## Consolidated Statement of Changes in Financial Position

## Statement C

Year ended December 31, 2005, with comparative figures for 2004

|                                                              | 2005           | 2004           |
|--------------------------------------------------------------|----------------|----------------|
| Cash and short-term investments provided by (used in):       |                |                |
| Operating activities:                                        |                |                |
| Excess of expenditure over revenue                           | \$ (7,897,179) | \$ (3,328,832) |
| Decrease (increase) in net financial assets other than cash: |                |                |
| Taxes receivable                                             | (85,402)       | 167,449        |
| Accounts receivable                                          | 1,132,791      | (3,941,506)    |
| Other assets                                                 | 38,397         | (36,132)       |
| Increase (decrease) in short-term liabilities:               |                |                |
| Accounts payable and accrued liabilities                     | 2,797,838      | 794,274        |
| Deferred revenue                                             | 121,658        | (93,080)       |
| Deposits and bonds                                           | 115,477        | (77,910)       |
| Employee benefit obligations                                 | 8,530          | (1,006)        |
|                                                              | (3,767,890)    | (6,516,743)    |
| Debt principal repaid                                        | (36,829)       | (46,933)       |
| Debt proceeds                                                | 2,373,104      | 6,114,347      |
| Lease principal repaid                                       | (59,761)       | (57,044)       |
| Lease proceeds                                               | -              | 138,950        |
|                                                              | 2,276,514      | 6,149,320      |
| Decrease in cash                                             | (1,491,376)    | (367,423)      |
| Cash, beginning of year                                      | 3,826,889      | 4,194,312      |
| Cash, end of year                                            | \$ 2,335,513   | \$ 3,826,889   |

See accompanying notes to financial statements.

# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

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The District of Sooke (the "District") is a municipality in the Province of British Columbia and was incorporated December 7, 1999 under the provisions of the British Columbia Local Government Act. A previously existing organization delivering fire services in the same geographical area, the Sooke Fire Protection District, was dissolved at December 7, 1999 and all assets and liabilities were transferred to the District.

### 1. Significant accounting policies:

The consolidated financial statements of the District are prepared by management in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the District are as follows:

#### (a) Reporting entity:

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures, changes in fund balances, and changes in financial position of the District.

#### (b) Revenue recognition:

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that gave rise to the revenues and expenditures in the period the goods and services are acquired and a liability is incurred or transfers are due.

Revenue unearned in the current period is recorded as deposits or deferred revenue.

Receipts that are restricted by legislation by the provincial or federal government or by agreement with external parties are deferred and reported as restricted revenues. When qualifying expenditures are incurred the related restricted revenues are brought into revenue.

Government transfers are recognized as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

#### (c) Fund accounting:

Funds within the consolidated financial statements consist of the general revenue, capital, sewer capital, and reserves fund. Transfers between funds are recorded as adjustments to the appropriate fund balances.

# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

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### 1. Significant accounting policies (continued):

(d) Investments:

The investments are recorded at cost which approximates fair market value.

(e) Capital assets:

Capital assets acquired or constructed for general government purposes are recorded at cost as expenditures in the period they are acquired. Donated capital assets are recorded at their estimated fair value at the time they are received. On incorporation all capital assets owned by the Sooke Fire Protection District were transferred to the District at their recorded amount of \$3,538,788. In addition, parkland with an assessed value of \$453,200 was contributed by the Capital Regional District and is reflected in the accounts at the assessed value.

Engineering structures represent additions from the date of incorporation. The costs of engineering structures existing at the time of incorporation are not reflected in these statements.

The District does not record amortization on capital assets.

(f) 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 actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(g) Reserve for future expenditures:

Council approves amounts which are subsequently transferred to reserves. Transfers to and from reserves are reflected as an adjustment to the respective fund.

(h) Equity in capital assets:

Equity in capital assets represents the investment in capital assets. Equity increases as capital assets are acquired without incurring long-term debt or, where such debt is incurred, by the reduction of debt. Equity decreases as capital assets are written off on disposal.

# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

### 1. Significant accounting policies (continued):

#### (i) Use of estimates:

The preparation of financial statements, in conformity with generally accepted accounting principles, 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 expenditures during the period. Actual results could differ from those estimates.

### 2. Cash and short-term investments:

|                                                | 2005         | 2004         |
|------------------------------------------------|--------------|--------------|
| Bank deposits                                  | \$ 537,774   | \$ 641,482   |
| Municipal Finance Authority Money Market Funds | 1,797,739    | 3,185,407    |
|                                                | \$ 2,335,513 | \$ 3,826,889 |

### 3. Accounts receivable:

|                          | 2005         | 2004         |
|--------------------------|--------------|--------------|
| General operations       | \$ 884,939   | \$ 490,294   |
| Sewer project operations | 2,065,748    | 3,593,184    |
|                          | \$ 2,950,687 | \$ 4,083,478 |

### 4. Accounts payable and accrued liabilities:

|                          | 2005         | 2004         |
|--------------------------|--------------|--------------|
| General operations       | \$ 2,109,585 | \$ 780,217   |
| Sewer project operations | 2,067,335    | 598,865      |
|                          | \$ 4,176,920 | \$ 1,379,082 |



# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

### 5. Deferred revenue:

Included in deferred revenue are contributions received by the District for the development of the Ed Macgregor Memorial Park Sponsorship Program. Other deferred revenue as detailed below includes grants received in 2004 for emergency planning and grants received in 2005 for West Nile assistance.

|                                                                    | 2005       | 2004      |
|--------------------------------------------------------------------|------------|-----------|
| Other deferred revenue                                             | \$ 33,378  | \$ 14,308 |
| Reserve account for Ed Macgregor Memorial Park Sponsorship Program | 12,098     | 8,791     |
| Development cost charges                                           | 99,281     | -         |
|                                                                    | \$ 144,757 | \$ 23,099 |

### 6. Employee benefit obligations:

|                            | 2005      | 2004      |
|----------------------------|-----------|-----------|
| Accrued vacation           | \$ 42,673 | \$ 38,712 |
| Other contract obligations | 21,274    | 16,705    |
|                            | \$ 63,947 | \$ 55,417 |

Employee benefit obligations represent accrued benefits as at December 31, 2005. 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 and accumulated sick leave banks for possible drawdown at future dates. These sick leave entitlements may only be used while employed by the District and are not paid out upon retirement or termination of employment.

The significant actuarial assumptions used in estimating employee future benefit obligations are as follows:

|                                    | 2005  | 2004  |
|------------------------------------|-------|-------|
| Discount rate                      | 5.00% | 5.00% |
| Expected wage and salary increases | 3.00% | 3.00% |
| Expected inflation rate            | 2.50% | 2.50% |

# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

### 7. Lease obligations:

The District has financed certain fire fighting equipment by entering into capital leasing arrangements with the Municipal Finance Authority and which are recorded as capital leases. The District may acquire ownership of the equipment at the end of the lease term upon payment of the residual value of \$575,407. Repayments are due as shown:

|                                                                              |    |          |
|------------------------------------------------------------------------------|----|----------|
| 2006                                                                         | \$ | 100,354  |
| 2007                                                                         |    | 284,607  |
| 2008                                                                         |    | 268,500  |
| 2009                                                                         |    | 94,127   |
| 2010                                                                         |    | -        |
| Total minimum payments                                                       |    | 747,588  |
| Less amounts representing interest<br>(at rates ranging from 2.75% to 4.75%) |    | (38,404) |
| Present value of net minimum capital lease payments                          | \$ | 709,184  |

### 8. Long-term debt:

Long-term debt of \$693,030 (2004 - \$729,859) is comprised of tax-supported debt. Principal payments on long-term debt for the next five years are as follows:

|                    | 2006      | 2007      | 2008      | 2009      | 2010      |
|--------------------|-----------|-----------|-----------|-----------|-----------|
| Tax supported debt | \$ 39,315 | \$ 41,969 | \$ 44,802 | \$ 47,826 | \$ 51,055 |

Existing long-term debt matures in annual amounts to the year 2017. Interest is payable at 6.75%. Interest expense in the year relating to long-term debt is \$48,028 (2004 - \$51,992).

### 9. Capital assets:

|                         | 2005          | 2004          |
|-------------------------|---------------|---------------|
| Land                    | \$ 1,764,979  | \$ 1,763,979  |
| Buildings               | 2,212,714     | 2,212,714     |
| Machinery and equipment | 2,275,291     | 2,260,079     |
| Engineering structures  | 1,023,528     | 958,685       |
| Sanitary sewer utility  | 22,289,127    | 6,599,887     |
|                         | \$ 29,565,639 | \$ 13,795,344 |

# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

### 10. Reserves Fund:

|                                    | Beginning<br>balance | Revenue    | Transfer (to)<br>from<br>other funds | Ending<br>balance |
|------------------------------------|----------------------|------------|--------------------------------------|-------------------|
| Casino Revenue Reserve             | \$ 159,631           | \$ 233,892 | \$ (38,000)                          | \$ 355,523        |
| Parkland Reserve                   | 126,860              | 13,219     | -                                    | 140,079           |
| Fire Protection Capital Reserve    | 229,624              | 5,808      | (15,212)                             | 220,220           |
| Sooke Outdoor Arts Program Reserve | 15,919               | 3,571      | (1,500)                              | 17,990            |
| Capital Works Reserve              | 43,146               | 1,113      | 44,530                               | 88,789            |
|                                    | \$ 575,180           | \$ 257,603 | \$ (10,182)                          | \$ 822,601        |

### 11. Equity in capital assets:

|                           | 2005          | 2004         |
|---------------------------|---------------|--------------|
| Beginning balance         | \$ 6,182,193  | \$ 5,132,788 |
| Asset acquisitions        | 15,770,295    | 7,198,725    |
| Debt proceeds             | (2,373,104)   | (6,114,347)  |
| Debt principal repayments | 36,829        | 46,933       |
| Lease proceeds            | -             | (138,950)    |
| Lease principal repayment | 59,761        | 57,044       |
| Ending balance            | \$ 19,675,974 | \$ 6,182,193 |

# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

### 12. Net taxes available for municipal 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.

|                                            | 2005         | 2004         |
|--------------------------------------------|--------------|--------------|
| Taxes:                                     |              |              |
| Property tax                               | \$ 7,943,094 | \$ 7,072,873 |
| 1% utility tax                             | 76,277       | 73,991       |
|                                            | 8,019,371    | 7,146,864    |
| Less taxes on behalf of:                   |              |              |
| School authorities                         | 3,347,839    | 2,987,815    |
| Capital Regional District                  | 1,315,595    | 1,183,106    |
| British Columbia Assessment Authority      | 104,854      | 90,942       |
| Municipal Finance Authority                | 283          | 218          |
| Victoria Regional Transit Authority        | 172,784      | 156,718      |
| Capital Regional Hospital District         | 283,493      | 254,635      |
|                                            | 5,224,848    | 4,673,434    |
| Net taxes available for municipal purposes | \$ 2,794,523 | \$ 2,473,430 |

### 13. Net payments in lieu of taxes available for municipal purposes:

|                                             | 2005      | 2004      |
|---------------------------------------------|-----------|-----------|
| Payments in lieu of taxes                   | \$ 48,482 | \$ 43,268 |
| Less taxes on behalf of:                    |           |           |
| School authorities                          | 16,322    | 13,775    |
| Capital Regional District                   | 9,556     | 9,094     |
| British Columbia Assessment Authority       | 491       | 414       |
| Victoria Regional Transit Authority         | 1,284     | 1,141     |
| Capital Regional Hospital District          | 1,128     | 1,059     |
|                                             | 28,781    | 25,483    |
| Net payments in lieu for municipal purposes | \$ 19,701 | \$ 17,785 |

# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

### 14. Government transfers and grants:

The following government transfers have been included in revenues:

|                                                 | 2005         | 2004         |
|-------------------------------------------------|--------------|--------------|
| Operating transfers from provincial government: |              |              |
| Small Communities Grant                         | \$ 220,375   | \$ 225,537   |
| Policing Grant                                  | -            | 88,331       |
| Other                                           | 57,479       | 84,873       |
| Sewer capital transfers                         | 7,701,530    | 3,593,184    |
|                                                 | \$ 7,979,384 | \$ 3,991,925 |

### 15. Expenditures by object:

|                                          | 2005          | 2004          |
|------------------------------------------|---------------|---------------|
| Salaries, wages and employee benefits    | \$ 1,301,014  | \$ 1,179,202  |
| Contracted and general services          | 2,288,145     | 1,568,361     |
| Materials, goods, supplies and utilities | 16,246,352    | 8,010,830     |
| Interest and bank charges                | 79,383        | 77,139        |
|                                          | \$ 19,914,894 | \$ 10,835,532 |

### 16. Commitments and contingencies:

#### (a) Contingent liabilities:

Capital Regional District debt, under provisions of the Local Government Act, is a direct, joint and severally liability of the Capital Regional District and each member municipality with the Capital Regional District, including the District.

#### (b) Capital Region Emergency Service Telecommunications (CREST) Incorporated:

The District is a shareholder and member of the Capital Region Emergency Services Telecommunications (CREST) Incorporated whose services provide centralized emergency communication, and related public safety information services to municipalities, regional districts, the provincial and federal governments and their agencies, and emergency service organizations through Greater Victoria region and the Gulf Islands. Pursuant to a Members' Agreement, members are obligated to share in funding the ongoing operations and costs related to capital assets.

# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

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### 16. Commitments and contingencies (continued):

#### (c) Commitments:

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

#### (d) Litigation:

In the normal course of business, the District is threatened with or named in litigation. As at December 31, 2005, it is considered that the potential claims against the District resulting from such litigation not covered by insurance would not materially affect the consolidated financial statements.

#### (e) Sewer treatment plant:

In 2004, the District began construction on the sewer treatment plant. The total project capital cost is estimated at \$22 million (not including land) with 2/3 funded by federal and provincial governments up to \$11,600,724. At December 31, 2005, expenditures were \$21,793,368. The District has authorized by bylaw to borrow up to \$8,800,000 from the Municipal Finance Authority of which \$8,487,451 was utilized through interim financing at December 31, 2005. The interim financing has interest payable quarterly at a floating rate which was 3.795% at December 31, 2005 and is anticipated to be converted to long-term debt through the Municipal Finance Authority upon completion of the project. Interest of \$129,539 was capitalized to sanitary sewer utility during the year.

#### (f) Contingent asset:

At December 31, 2005, the District had approximately \$2.1 million security in the form of letters of credit outstanding from developers for sewer capacity allocation purchase. The sanitary sewer system became operational January 3, 2006 at which time payment was requested.



# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2005

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### **17. Pension liability:**

The municipality and its employees contribute to the Municipal Pension Plan (the plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 130,000 active members and approximately 45,000 retired members. Active members include approximately 29,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The District of Sooke paid \$60,403 for employer contributions to the plan in fiscal 2005.

# DISTRICT OF SOOKE

## Statement of Financial Activities and Fund Balance General Revenue Fund

Schedule A

Year ended December 31, 2005, with comparative figures for 2004

|                                                                   | Budget<br>2005 | Actual<br>2005 | Actual<br>2004 |
|-------------------------------------------------------------------|----------------|----------------|----------------|
| Revenue:                                                          |                |                |                |
| Net taxes available for municipal purposes                        | \$ 2,803,243   | \$ 2,794,523   | \$ 2,473,430   |
| Net payments in lieu of taxes available for<br>municipal purposes | 17,000         | 19,701         | 17,785         |
| Sales and user fees                                               | 28,100         | 50,743         | 123,214        |
| Government transfers and grants                                   | 311,783        | 277,854        | 398,741        |
| Investment income                                                 | 75,000         | 79,444         | 82,374         |
| Penalties and fines                                               | 80,000         | 74,537         | 76,270         |
| Licenses and permits                                              | 275,900        | 349,084        | 371,209        |
| Lease and rental                                                  | 64,495         | 58,194         | 70,642         |
|                                                                   | 3,655,521      | 3,704,080      | 3,613,665      |
| Expenditure:                                                      |                |                |                |
| General government services:                                      |                |                |                |
| Legislative                                                       | 106,775        | 108,409        | 92,315         |
| Administrative                                                    | 807,665        | 836,863        | 740,051        |
|                                                                   | 914,440        | 945,272        | 832,366        |
| Protective services:                                              |                |                |                |
| Policing                                                          | 1,100,400      | 1,055,123      | 808,893        |
| Fire protection and emergency response                            | 635,556        | 576,966        | 535,822        |
| Inspection and bylaw services                                     | 216,327        | 203,217        | 171,460        |
|                                                                   | 1,952,283      | 1,835,306      | 1,516,175      |
| Engineering and development:                                      |                |                |                |
| Roads, inspections and development                                | 831,670        | 576,139        | 527,642        |
| Community services:                                               |                |                |                |
| Public health                                                     | 73,463         | 70,963         | 67,460         |
| Recreation and parks                                              | 424,886        | 425,060        | 417,798        |
|                                                                   | 498,349        | 496,023        | 485,258        |
| Development services:                                             |                |                |                |
| Planning                                                          | 274,508        | 255,917        | 237,183        |
| Economic development                                              | 74,429         | 35,942         | 38,183         |
|                                                                   | 348,937        | 291,859        | 275,366        |
| Total expenditure                                                 | 4,545,679      | 4,144,599      | 3,636,807      |
| Excess of expenditure over revenue                                | (890,158)      | (440,519)      | (23,142)       |
| Debt principal repaid                                             | (38,073)       | (36,829)       | (46,933)       |
| Lease principal payments                                          | (52,955)       | (59,761)       | (57,044)       |
| Net transfers to Reserves Fund                                    | (32,500)       | (43,030)       | (43,037)       |
| Transfer to Capital Fund                                          | (34,500)       | (27,844)       | (106,435)      |
| Transfer from (to) Sewer Capital Fund                             | -              | (2,264,197)    | 113,325        |
| Change in fund balance                                            | (1,048,186)    | (2,872,180)    | (163,266)      |
| Fund balance, beginning of year                                   | 3,231,100      | 3,231,100      | 3,394,366      |
| Fund balance, end of year                                         | \$ 2,182,914   | \$ 358,920     | \$ 3,231,100   |

# DISTRICT OF SOOKE

## Statement of Financial Activities and Fund Balance Capital Fund

Schedule B

Year ended December 31, 2005, with comparative figures for 2004

|                                        | Budget<br>2005 | Actual<br>2005 | Actual<br>2004 |
|----------------------------------------|----------------|----------------|----------------|
| Revenue:                               |                |                |                |
| Donations                              | \$ -           | \$ -           | \$ 68,567      |
| Expenditure:                           |                |                |                |
| Capital assets:                        |                |                |                |
| General government services:           |                |                |                |
| Administrative                         | 54,000         | 39,000         | 60,585         |
| Protective services:                   |                |                |                |
| Fire protection and emergency response | 15,500         | 15,212         | 158,939        |
| Engineering and public works:          |                |                |                |
| Roads, streets and storm drainage      | 25,500         | 22,250         | 32,158         |
| Community services:                    |                |                |                |
| Recreation and parks                   | 5,000          | 4,594          | 347,156        |
| Total expenditure                      | 100,000        | 81,056         | 598,838        |
| Excess of expenditure over revenue     | (100,000)      | (81,056)       | (530,271)      |
| Transfer from General Revenue Fund     | 34,500         | 27,844         | 106,435        |
| Transfer from Reserves Fund            | 65,500         | 53,212         | 284,886        |
| Lease proceeds                         | -              | -              | 138,950        |
| Change in fund balance                 | -              | -              | -              |
| Fund balance, beginning of year        | -              | -              | -              |
| Fund balance, end of year              | \$ -           | \$ -           | \$ -           |

# DISTRICT OF SOOKE

Statement of Financial Activities and Fund Balance  
Sewer Capital Fund

Schedule C

Year ended December 31, 2005, with comparative figures for 2004

|                                         | Budget<br>2005 | Actual<br>2005 | Actual<br>2004 |
|-----------------------------------------|----------------|----------------|----------------|
| Revenue:                                |                |                |                |
| Government transfers                    | \$ 8,800,000   | \$ 7,701,530   | \$ 3,593,184   |
| Capacity allocation purchase            | 2,500,000      | 354,502        | -              |
|                                         | 11,300,000     | 8,056,032      | 3,593,184      |
| Expenditure:                            |                |                |                |
| Capital assets:                         |                |                |                |
| Engineering and public works            | 16,500,000     | 15,689,239     | 6,599,887      |
| Excess of expenditure over revenue      | (5,200,000)    | (7,633,207)    | (3,006,703)    |
| Transfer from (to) General Revenue Fund | -              | 2,264,197      | (113,325)      |
| Borrowing proceeds                      | 5,200,000      | 2,373,104      | 6,114,347      |
| Change in fund balance                  | 5,200,000      | (2,995,906)    | 2,994,319      |
| Fund balance, beginning of year         | -              | 2,994,319      | -              |
| Fund balance, end of year               | \$ -           | \$ (1,587)     | \$ 2,994,319   |

# DISTRICT OF SOOKE

## Statement of Financial Activities and Fund Balance Reserves Fund

Schedule D

Year ended December 31, 2005, with comparative figures for 2004

|                                    | Budget<br>2005 | Actual<br>2005 | Actual<br>2004 |
|------------------------------------|----------------|----------------|----------------|
| Revenue:                           |                |                |                |
| Investment income                  | \$ -           | \$ 10,811      | \$ 8,267       |
| Cash in lieu of parkland           | -              | 9,725          | 11,350         |
| Casino revenue sharing             | 200,000        | 233,892        | 206,619        |
| Sooke Outdoor Arts Program         | -              | 3,175          | 5,048          |
|                                    | 200,000        | 257,603        | 231,284        |
| Transfer from General Revenue Fund | 32,500         | 44,530         | 43,146         |
| Transfer to General Revenue Fund   | -              | (1,500)        | (109)          |
| Transfer to Capital Fund           | (65,500)       | (53,212)       | (284,886)      |
| Change in fund balance             | 167,000        | 247,421        | (10,565)       |
| Fund balance, beginning of year    | 575,180        | 575,180        | 585,745        |
| Fund balance, end of year          | \$ 742,180     | \$ 822,601     | \$ 575,180     |