



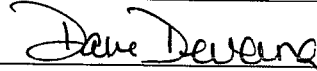
**STATEMENTS OF FINANCIAL INFORMATION**  
**(SOFI)**

**JUNE 30, 2007**

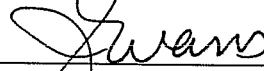
**DISTRICT OF SOOKE**

**STATEMENT OF FINANCIAL  
INFORMATION APPROVAL**

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.



\_\_\_\_\_  
Dave Devana, CA  
Director of Finance  
June 30, 2007



\_\_\_\_\_  
Janet Evans  
Mayor  
June 30, 2007



File No. 1880-20

## DISTRICT OF SOOKE MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The external auditors, KPMG, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of the District of Sooke,

A handwritten signature in cursive script that reads "Dave Devana". The signature is written in black ink and is positioned above a horizontal line.

Dave Devana, CA  
Director of Finance  
June 30, 2007

Consolidated Financial Statements of the

**DISTRICT OF SOOKE**

Year ended December 31, 2006

# DISTRICT OF SOOKE

Municipal Council

2006

## MAYOR

Janet Evans

## COUNCILLORS

Rick Armour

Sheila Beech

Ron Dumont

Rick Kasper

Brenda Parkinson

Jen Smith

---

## OFFICIALS

Chief Administrative Officer

Director of Finance

Evan Parliament

David Devana

---

Auditors

Solicitors

Bankers

Police

KPMG LLP

Lidstone, Young, Anderson

Canadian Imperial Bank  
of Commerce

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

Consolidated Financial Statements

Year ended December 31, 2006

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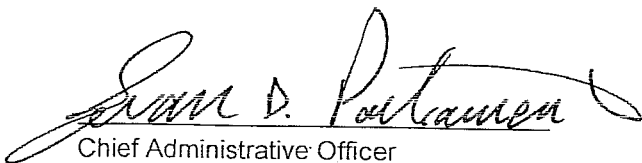
## FINANCIAL REPORTING RESPONSIBILITY

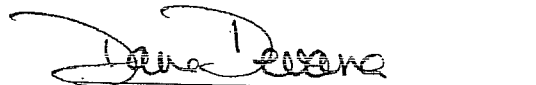
The accompanying financial statements of the District of Sooke (the "District") are the responsibility of management. To ensure their integrity, objectivity and reliability, management has selected appropriate accounting policies that are consistent with generally accepted accounting principles for local 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.

  
Chief Administrative Officer

  
Director of Finance



**KPMG LLP**  
**Chartered Accountants**  
St. Andrew's Square II  
800 - 730 View Street  
Victoria BC V8W 3Y7

Telephone (250) 480-3500  
Fax (250) 480-3539  
Internet www.kpmg.ca

## **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, 2006 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, 2006 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Chartered Accountants

Victoria, Canada

April 20, 2007



# DISTRICT OF SOOKE

## Consolidated Statement of Financial Position

Statement A

December 31, 2006, with comparative figures for 2005

	2006	2005
<b>Financial Assets</b>		
Cash and short-term investments (note 3)	\$ 4,622,705	\$ 2,335,513
Taxes receivable	542,416	393,160
Accounts receivable (note 4)	842,788	2,950,687
Other assets	88,785	13,035
<b>Total financial assets</b>	<b>6,096,694</b>	<b>5,692,395</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 5)	970,794	4,013,422
Deferred revenue (note 6)	1,098,891	144,757
Deposits and bonds	312,776	290,335
Employee benefit obligations (note 7)	78,511	63,947
Lease obligations (note 8)	642,936	709,184
Municipal Finance Authority interim financing	-	8,487,451
Long-term debt (note 9)	9,675,615	693,030
<b>Total liabilities</b>	<b>12,779,523</b>	<b>14,402,126</b>
<b>Net financial liabilities</b>	<b>(6,682,829)</b>	<b>(8,709,731)</b>
Capital assets (note 10)	31,176,448	29,565,639
<b>Net municipal position</b>	<b>\$ 24,493,619</b>	<b>\$ 20,855,908</b>

## Municipal Position

General Revenue Fund (Schedule A)	\$ 2,465,873	\$ 2,014,035
Capital Fund (Schedule B)	-	-
Sewer Operating Fund (Schedule C)	(2,944)	-
Sewer Capital Fund (Schedule D)	(46,462)	(1,656,702)
Reserves Fund (Schedule E) (note 11)	1,219,255	822,601
	3,635,722	1,179,934
Equity in capital assets (note 12)	20,857,897	19,675,974
<b>Municipal position</b>	<b>\$ 24,493,619</b>	<b>\$ 20,855,908</b>

Commitments and contingencies (note 17)

See accompanying notes to financial statements.



Director of Finance

# DISTRICT OF SOOKE

## Consolidated Statement of Financial Activities

## Statement B

Year ended December 31, 2006, with comparative figures for 2005

	Budget 2006	Actual 2006	Actual 2005
<b>Revenue:</b>			
Net taxes available for municipal purposes (note 13)	\$ 3,642,222	\$ 3,585,252	\$ 2,794,523
Net payments in lieu of taxes available for municipal purposes (note 14)	19,000	23,464	19,701
Sales and user fees	24,900	61,228	50,743
Government transfers and grants (note 15)	3,129,721	717,894	7,979,384
Capacity allocation purchase	-	2,282,269	354,502
Investment income	52,000	133,910	90,255
Penalties and fines	75,000	106,589	74,537
Licenses and permits	318,400	562,412	352,259
Lease and rental	22,843	22,843	58,194
Donations and contributions	425,960	153,913	9,725
Sewer operating revenue	612,225	556,720	-
Casino revenue sharing	200,000	269,529	233,892
	8,255,271	8,476,023	12,017,715
<b>Expenditure:</b>			
General government services:			
Legislative	107,510	90,143	108,409
Administrative	1,091,077	1,157,708	875,863
	1,198,587	1,247,851	984,272
Protective services:			
Policing	1,116,445	996,348	1,055,123
Fire protection and emergency response	617,508	583,902	592,178
Inspection and bylaw services	223,424	206,452	203,217
	1,957,377	1,786,702	1,850,518
Engineering and development:			
Roads, inspections and development	1,354,769	558,179	598,389
Sewer operating	479,155	559,664	-
Sewer capital	2,993,446	1,290,588	15,689,239
	4,827,370	2,408,431	16,287,628
Community services:			
Public health	82,264	83,713	70,963
Recreation and parks	446,611	444,698	429,654
	528,875	528,411	500,617
Development services:			
Planning	303,547	250,315	255,917
Economic development	40,000	32,029	35,942
	343,547	282,344	291,859
Total expenditure (note 16)	8,855,756	6,253,739	19,914,894
Excess (deficiency) of revenue over expenditure	(333,485)	2,222,284	(7,897,179)
Debt principal repaid	(196,617)	(54,946)	(36,829)
Debt proceeds	260,844	312,549	2,373,104
Lease principal repaid	(89,825)	(66,248)	(59,761)
Change in fund balance	\$ (359,083)	\$ 2,413,639	\$ (5,620,665)

See accompanying notes to financial statements.

# DISTRICT OF SOOKE

## Consolidated Statement of Changes in Financial Position

Statement C

Year ended December 31, 2006, with comparative figures for 2005

	2006	2005
Cash and short-term investments provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenditure	\$ 2,222,284	\$ (7,897,179)
Decrease (increase) in net financial assets other than cash:		
Taxes receivable	(149,256)	(85,402)
Accounts receivable	2,121,989	1,132,791
Other assets	(75,750)	38,397
Increase (decrease) in short-term liabilities:		
Accounts payable and accrued liabilities	(3,047,861)	2,797,838
Deferred revenue	954,134	121,658
Deposits and bonds	22,441	115,477
Employee benefit obligations	14,564	8,530
	2,062,545	(3,767,890)
Debt principal repaid	(54,946)	(36,829)
Debt proceeds	312,549	2,373,104
Lease principal repaid	(66,248)	(59,761)
	191,355	2,276,514
Increase (decrease) in cash	2,253,900	(1,491,376)
Cash, beginning of year	2,335,513	3,826,889
Proportionate share of consolidated entities' opening cash	33,292	-
Cash, end of year	\$ 4,622,705	\$ 2,335,513

See accompanying notes to financial statements.

# DISTRICT OF SOOKE

## Notes to Financial Statements

Year ended December 31, 2006

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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.

Effective January 1, 2006, the District adopted the amended recommendations under CICA PS 1300 Government Reporting Entity, which defines the scope of the government reporting entity. The amended standard requires that all government organizations controlled by the District be included in the government reporting entity. This change has been adopted on a prospective basis.

#### (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 operating, 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, 2006

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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 financial 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, 2006

## 1. Significant accounting policies (continued):

### (i) Measurement uncertainty:

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. Municipal Finance Authority debt reserve fund deposits:

Under borrowing arrangements with the Municipal Finance Authority ("MFA"), the District is required to lodge security by means of demand notes and interest-bearing cash deposits based on the amount of the borrowing. As the debt principal is retired, demand notes are released and the cash deposits are refunded.

As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are held by the MFA to act as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the District.

The details of the cash deposits and demand notes are as follows:

	2006	2005
Cash	\$ 88,785	\$ -
Demand notes	254,159	-
	\$ 342,944	\$ -

## 3. Cash and short-term investments:

	2006	2005
Bank deposits	\$ 607,919	\$ 537,774
Municipal Finance Authority Money Market Funds	4,014,786	1,797,739
	\$ 4,622,705	\$ 2,335,513

# DISTRICT OF SOOKE

Notes to Financial Statements

Year ended December 31, 2006

## 4. Accounts receivable:

	2006		2005	
General operations	\$	536,778	\$	884,939
Sewer project operations		306,010		2,065,748
	\$	842,788	\$	2,950,687

## 5. Accounts payable and accrued liabilities:

	2006		2005	
General operations	\$	960,794	\$	1,946,087
Sewer project operations		10,000		2,067,335
	\$	970,794	\$	4,013,422

## 6. Deferred revenue:

Under the Local Government Act, a development cost charge paid to a local government must be deposited in a separate development cost charge reserve fund established for each purpose for which the local government imposes the development cost charge.

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 2005 for emergency planning and grants received in 2006 for West Nile assistance.

	Beginning balance	Contributions received	Interest allocated	Revenue recognized	Ending balance
Development cost charges roads	\$ 96,707	\$ 468,829	\$ 13,046	\$ -	\$ 578,582
Development cost charges wastewater	2,574	204,829	4,137	-	211,540
Gas Tax funding	-	199,011	5,881	-	204,892
Reserve account for Ed Macgregor Memorial Park Sponsorship Program	12,098	1,610	-	-	13,708
Other deferred revenue	33,378	70,200	-	(13,409)	90,169
	\$ 144,757	\$ 944,479	\$ 23,064	\$ (13,409)	\$1,098,891

# DISTRICT OF SOOKE

Notes to Financial Statements

Year ended December 31, 2006

## 7. Employee benefit obligations:

	2006	2005
Accrued vacation	\$ 55,728	\$ 42,673
Other contract obligations	22,783	21,274
	\$ 78,511	\$ 63,947

Employee benefit obligations represent accrued benefits as at December 31, 2006. 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 assumptions used in estimating employee future benefit obligations include expectations of 3% salary increases.

## 8. 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 \$557,322. Repayments are due as shown:

2007	\$ 291,590
2008	271,656
2009	94,835
Total minimum payments	658,081
Less amounts representing interest (at rates ranging from 2.75% to 3.75%)	15,145
Present value of net minimum capital lease payments	\$ 642,936



# DISTRICT OF SOOKE

Notes to Financial Statements

Year ended December 31, 2006

## 9. Long-term debt:

	2006	2005
Tax supported debt bearing interest at 6.75% and matures in 2017	\$ 653,715	\$ 693,030
Debenture debt for sewer capital project bearing interest at 4.43% and matures in 2026	8,800,000	-
Debt from consolidated entities	221,900	-
	<u>\$ 9,675,615</u>	<u>\$ 693,030</u>

Principal repayment schedule for next five years:

2007	2008	2009	2010	2011
\$ 337,489	\$ 340,322	\$ 343,346	\$ 346,574	\$ 350,020

Interest of \$316,624 (2005 - \$129,539) on short-term debt was capitalized to the Sewer Capital Fund during the year. Interest expense in the year relating to long-term debt is \$103,128 (2005 - \$48,028).

## 10. Capital assets:

	2006	2005
Land	\$ 1,764,979	\$ 1,764,979
Buildings	2,224,025	2,212,714
Machinery and equipment	2,551,277	2,275,291
Engineering structures	1,056,453	1,023,528
Sanitary sewer utility	23,579,714	22,289,127
	<u>\$ 31,176,448</u>	<u>\$ 29,565,639</u>

## 11. Reserves Fund:

	Beginning balance	Revenue	Transfer (to) from other funds	Ending balance
Casino Revenue Reserve	\$ 355,523	\$ 286,876	\$ (100,000)	\$ 542,399
Parkland Reserve	140,079	162,464	-	302,543
Fire Protection Capital Reserve	220,220	8,382	(14,959)	213,643
Sooke Outdoor Arts Program Reserve	17,990	795	4,334	23,119
Capital Works Reserve	88,789	4,373	44,389	137,551
	<u>\$ 822,601</u>	<u>\$ 462,890</u>	<u>\$ (66,236)</u>	<u>\$ 1,219,255</u>

# DISTRICT OF SOOKE

Notes to Financial Statements

Year ended December 31, 2006

## 12. Equity in capital assets:

	2006	2005
Beginning balance	\$ 19,675,974	\$ 6,182,193
Asset acquisitions	1,348,346	15,770,295
Debt proceeds	(312,549)	(2,373,104)
Debt principal repayments	54,946	36,829
Lease principal repayment	66,248	59,761
Equity from consolidated entities	24,932	-
Ending balance	\$ 20,857,897	\$ 19,675,974

## 13. 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.

	2006	2005
Taxes:		
Property tax	\$ 9,158,394	\$ 7,943,094
1% utility tax	84,557	76,277
	9,242,951	8,019,371
Less taxes on behalf of:		
School authorities	3,593,038	3,347,839
Capital Regional District	1,460,479	1,315,595
British Columbia Assessment Authority	112,342	104,854
Municipal Finance Authority	351	283
Victoria Regional Transit Authority	197,805	172,784
Capital Regional Hospital District	293,684	283,493
	5,657,699	5,224,848
Net taxes available for municipal purposes	\$ 3,585,252	\$ 2,794,523

# DISTRICT OF SOOKE

Notes to Financial Statements

Year ended December 31, 2006

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

	2006	2005
Payments in lieu of taxes	\$ 52,929	\$ 48,482
Less taxes on behalf of:		
School authorities	16,326	16,322
Capital Regional District	10,289	9,556
British Columbia Assessment Authority	462	491
Victoria Regional Transit Authority	1,392	1,284
Capital Regional Hospital District	996	1,128
	29,465	28,781
Net payments in lieu for municipal purposes	\$ 23,464	\$ 19,701

## 15. Government transfers and grants:

The following government transfers have been included in revenues:

	2006	2005
Operating transfers from provincial government:		
Small Communities Grant	\$ 258,616	\$ 220,375
Other	153,268	57,479
Sewer capital transfers	306,010	7,701,530
	\$ 717,894	\$ 7,979,384

## 16. Expenditures by object:

	2006	2005
Salaries, wages and employee benefits	\$ 1,530,978	\$ 1,301,014
Contracted and general services	2,165,835	2,288,145
Materials, goods, supplies and utilities	2,199,862	16,116,813
Interest and bank charges	445,064	208,922
	\$ 6,341,739	\$ 19,914,894

# DISTRICT OF SOOKE

Notes to Financial Statements

Year ended December 31, 2006

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## 17. 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.

### (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, 2006, 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.

## 18. 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 140,000 active members and approximately 51,000 retired members. Active members include approximately 31,000 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 2006.

# DISTRICT OF SOOKE

Notes to Financial Statements

Year ended December 31, 2006

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## 19: Comparative figures:

In 2004 and 2005 financing transfers to and from the General Revenue Fund and the Sewer Capital Fund were previously reflected as transfer of fund balances. These temporary financing amounts have been reclassified as amounts due to and from the individual funds. The affect of this restatement has been to decrease the General Revenue Fund fund balance by \$609,082 at December 31, 2004 and increase the fund balance by \$1,655,115 at December 31, 2005. Corresponding adjustments have been made to the Sewer Capital Fund. These reclassifications have no impact on the consolidated municipal position.

Certain comparative figures have been reclassified to conform with financial statement presentation adopted in the current year.

# DISTRICT OF SOOKE

Statement of Financial Activities and Fund Balance  
General Revenue Fund

Schedule A

Year ended December 31, 2006, with comparative figures for 2005

	Budget 2006	Actual 2006	Actual 2005 (restated note 19)
<b>Revenue:</b>			
Net taxes available for municipal purposes	\$ 3,642,222	\$ 3,585,252	\$ 2,794,523
Net payments in lieu of taxes available for municipal purposes	19,000	23,464	19,701
Sales and user fees	24,900	61,228	50,743
Government transfers and grants	397,119	411,884	277,854
Investment income	52,000	94,463	79,444
Penalties and fines	75,000	106,589	74,537
Licenses and permits	318,400	562,412	349,084
Lease and rental	22,843	22,843	58,194
	4,551,484	4,868,135	3,704,080
<b>Expenditure:</b>			
General government services:			
Legislative	107,510	90,143	108,409
Administrative	1,054,277	1,132,875	836,863
	1,161,787	1,223,018	945,272
Protective services:			
Policing	1,116,445	996,348	1,055,123
Fire protection and emergency response	564,248	583,902	576,966
Inspection and bylaw services	223,424	206,452	203,217
	1,904,117	1,786,702	1,835,306
Engineering and development:			
Roads, inspections and development	740,015	525,254	576,139
Community services:			
Public health	82,264	83,713	70,963
Recreation and parks	446,611	444,698	425,060
	528,875	528,411	496,023
Development services:			
Planning	303,547	250,315	255,917
Economic development	40,000	32,029	35,942
	343,547	282,344	291,859
<b>Total expenditure</b>	<b>4,678,341</b>	<b>4,345,729</b>	<b>4,144,599</b>
<b>Excess (deficiency) of revenue over expenditure</b>	<b>(126,857)</b>	<b>522,406</b>	<b>(440,519)</b>
Debt principal repaid	(196,617)	(54,946)	(36,829)
Lease principal payments	(89,825)	(66,248)	(59,761)
Net transfers to Reserves Fund	(457,390)	16,236	(43,030)
Transfer to Capital Fund	(388,592)	(7,758)	(27,844)
Transfer to Sewer Capital Fund	-	-	-
<b>Change in fund balance</b>	<b>(1,259,281)</b>	<b>409,690</b>	<b>(607,983)</b>
Fund balance, beginning of year	2,014,035	2,014,035	2,622,018
Proportionate share of consolidated entities' opening balance	-	42,148	-
<b>Fund balance, end of year</b>	<b>\$ 754,754</b>	<b>\$ 2,465,873</b>	<b>\$ 2,014,035</b>

# DISTRICT OF SOOKE

Statement of Financial Activities and Fund Balance  
Capital Fund

Schedule B

Year ended December 31, 2006, with comparative figures for 2005

	Budget 2006	Actual 2006	Actual 2005
Revenue	\$ -	\$ -	\$ -
Expenditure:			
Capital assets:			
General government services:			
Administrative	36,800	24,833	39,000
Protective services:			
Fire protection and emergency response	53,260	-	15,212
Engineering and public works:			
Roads, streets and storm drainage	614,752	32,925	22,250
Community services:			
Recreation and parks	-	-	4,594
Total expenditure	704,812	57,758	81,056
Excess of expenditure over revenue	(704,812)	(57,758)	(81,056)
Transfer from General Revenue Fund	388,592	7,758	27,844
Transfer from Reserves Fund	316,220	50,000	53,212
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 Operating Fund

Schedule C

Year ended December 31, 2006, with comparative figures for 2005

	Budget 2006	Actual 2006	Actual 2005
<b>Revenue:</b>			
Parcel tax	\$ 420,750	\$ 441,540	\$ -
Generation charge	120,038	114,395	-
Management fee revenue	71,437	-	-
Investment income	-	785	-
	612,225	556,720	-
<b>Expenditure:</b>			
Sewer operations	243,757	215,191	-
Contribution to reserve account	-	10,000	-
Interest on long-term debt	235,400	-	-
Interest on short-term debt	-	316,624	-
Insurance	-	13,890	-
Other expenses	-	3,959	-
Total expenditure	479,157	559,664	-
Excess of expenditure over revenue	133,068	(2,944)	-
Debt principal repaid	(133,068)	-	-
Transfer from (to) General Revenue Fund	-	-	-
Change in fund balance	-	(2,944)	-
Fund balance, beginning of year	-	-	-
Fund balance, end of year	\$ -	\$ (2,944)	\$ -



# DISTRICT OF SOOKE

Statement of Financial Activities and Fund Balance  
Sewer Capital Fund

Schedule D

Year ended December 31, 2006, with comparative figures for 2005

	Budget 2006	Actual 2006	Actual 2005 (restated note 19)
Revenue:			
Government transfers	\$ 2,732,602	\$ 306,010	\$ 7,701,530
Sale of capacity	-	2,282,269	354,502
	2,732,602	2,588,279	8,056,032
Expenditure:			
Capital assets:			
Engineering and public works	2,993,446	1,290,588	15,689,239
Excess (deficiency) of revenue over expenditure	(260,844)	1,297,691	(7,633,207)
Borrowing proceeds	260,844	312,549	2,373,104
Change in fund balance	-	1,610,240	(5,260,103)
Fund balance, beginning of year	(1,656,702)	(1,656,702)	3,603,401
Fund balance, end of year	\$ (1,656,702)	\$ (46,462)	\$ (1,656,702)

# DISTRICT OF SOOKE

Statement of Financial Activities and Fund Balance  
Reserves Fund

Schedule E

Year ended December 31, 2006, with comparative figures for 2005

	Budget 2006	Actual 2006	Actual 2005
Revenue:			
Investment income	\$ -	\$ 39,448	\$ 10,811
Cash in lieu of parkland	153,000	153,913	9,725
Casino revenue sharing	200,000	269,529	233,892
Sooke Outdoor Arts Program	-	-	3,175
Development cost charges	272,960	-	-
	625,960	462,890	257,603
Transfer from General Revenue Fund	500,650	49,323	44,530
Transfer to General Revenue Fund	(43,260)	(65,559)	(1,500)
Transfer to Capital Fund	(316,220)	(50,000)	(53,212)
Change in fund balance	767,130	396,654	247,421
Fund balance, beginning of year	822,601	822,601	575,180
Fund balance, end of year	\$ 1,589,731	\$ 1,219,255	\$ 822,601

District of Sooke  
2006 Remuneration, Wages and Expenses

Name	Position	Remuneration	Expenses (paid directly)	Expenses (paid on behalf of)
Evans, Janet	Mayor	\$18,884.76	\$ 2,344.33	\$ 1,507.41
Parkinson, Brenda	Councillor	\$8,442.17	\$ 434.93	\$ 720.00
Smith, Jen	Councillor	\$8,442.17	\$ 122.64	\$ 590.00
Armour, Rick	Councillor	\$8,442.17	\$ 548.06	\$ 610.00
Kasper, Rick	Councillor	\$8,442.17	\$ 711.18	\$ 1,603.90
Dumont, Ron	Councillor	\$8,442.17	\$ 235.38	\$ 475.00
Beech, Sheila	Councillor	\$8,442.17	\$ 757.27	\$ 1,036.94
	<b>Totals</b>	<b>\$69,537.78</b>	<b>\$ 5,153.79</b>	<b>\$6,543.25</b>

Name	Position	Wages > \$75,000	Expenses
Jmaeff, Peter	Chief Administrative Officer	\$103,616.05	\$2,195.35
Kelsey, Robert	Fire Chief	\$78,118.57	\$5,522.84
Carter, Debbie	Director of Finance	\$81,541.46	\$1,526.02
Eastgaard, Allan	Municipal Engineer	\$87,564.96	\$1,475.10
	<b>Totals</b>	<b>\$350,841.04</b>	<b>\$10,719.31</b>

**Reconciliation**

Mayor & Councillors Wages	\$69,537.78
Total for employee wages >\$75,000	\$350,841.04
Total for other employee wages	\$819,068.61
<b>Consolidated total wages</b>	<b>\$1,239,447.43</b>
Total wages from 2006 T4	\$1,239,447.43

There were no severance agreements made between the District of Sooke and its non-unionized employees during the fiscal year 2006.

**District of Sooke**  
**2006 Statement of Financial Information**

**Supplier Payments > \$25,000**

	<b>Document Amount</b>	<b>Document Date</b>
RCMP	\$219,295.70	13/01/2006
Vancouver Island Regional Library	\$74,902.75	11/01/2006
EPCOR Water Services	\$278,775.71	20/01/2006
CRD Water Department	\$46,560.40	07/03/2006
EPCOR Water Services	\$734,039.31	01/01/2006
Vancouver Island Regional Library	\$74,902.75	17/04/2006
EPCOR Water Services	\$730,265.32	01/05/2006
RCMP	\$219,295.76	11/04/2006
EPCOR Water Services	\$113,595.48	20/04/2006
EPCOR Water Services	\$474,724.65	30/03/2006
EPCOR Water Services	\$268,857.87	20/05/2006
CRD Water Department	\$59,586.31	05/06/2006
BC Transit	\$198,637.00	14/07/2006
Capital Regional District	\$1,548,956.00	14/07/2006
Capital Regional Health District	\$295,011.00	14/07/2006
BC Assessment Authority	\$112,679.02	14/07/2006
Vancouver Island Regional Library	\$74,902.75	20/07/2006
EPCOR Water Services	\$101,351.51	20/06/2006
RCMP	\$230,979.35	27/07/2006
EPCOR Water Services	\$76,034.16	01/08/2006
EPCOR Water Services	\$38,017.08	01/09/2006
CRD Water Department	\$29,922.34	02/10/2006
EPCOR Water Services	\$38,017.08	02/10/2006
Ministry of Finance - Surveyor of Taxes	\$86,095.01	31/10/2006
Vancouver Island Regional Library	\$74,902.75	20/10/2006
RCMP	\$200,412.15	20/10/2006
CRD Water Department	\$123,963.98	06/11/2006
EPCOR Water Services	\$38,017.08	01/11/2006
EPCOR Water Services	\$38,017.08	01/12/2006
RCMP	\$209,028.41	27/12/2006
EPCOR Water Services	\$27,984.00	27/12/2006
RCMP	\$146,731.56	23/12/2006
Hub International TOS Ltd.	\$47,832.00	27/12/2006

**\$7,032,293.32**

**District of Sooke**  
**2006 Statement of Financial Information**

**Schedule of Guarantee and Indemnity Agreements**

The District of Sooke has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.