

Audited Financial Statements of

**THE CORPORATION OF
THE DISTRICT OF SAANICH**

Year ended December 31, 2005

THE CORPORATION OF THE DISTRICT OF SAANICH

2005 Financial Statements

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THE CORPORATION OF THE DISTRICT OF SAANICH

MANAGEMENT REPORT

The accompanying statements and schedules of The Corporation of the District of Saanich 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 Corporation'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 selection and training 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, acting through its Finance and Personnel Committee, oversees management's responsibilities for the financial reporting and internal control systems. The Committee meets with management and the independent auditors to satisfy themselves that management's responsibilities are properly discharged and to review and approve the financial statements.

KPMG LLP, Chartered Accountants, the independent auditors appointed by the Corporation 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 integrity of the financial reporting process.

Tim Wood
Administrator

Paul Murray
Director of Finance

April 28, 2006

ABCD

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AUDITORS' REPORT TO THE MAYOR AND COUNCILLORS OF THE CORPORATION OF THE DISTRICT OF SAANICH

We have audited the consolidated statement of financial position of The Corporation of the District of Saanich as at December 31, 2005 and the consolidated statements of financial activities and changes in financial position and the operating funds, capital funds and reserve funds consolidated statements of changes in fund balance for the year then ended. These financial statements are the responsibility of the Corporation'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 Corporation as at December 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

Victoria, Canada

April 28, 2006

THE CORPORATION OF THE DISTRICT OF SAANICH

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

STATEMENT A

December 31, 2005, with comparative figures for 2004

	2005	2004
Assets		
Financial Assets:		
Cash and Short-Term Investments (Note 4)	\$ 56,963,188	\$ 45,981,625
Property Taxes Receivable	1,772,822	1,979,781
Board of Cemetery Trustees Receivable (Note 8)	1,435,571	1,468,571
Accounts Receivable	5,103,554	3,643,164
Inventory for Resale	73,299	73,463
Other Assets	16,465	17,507
Long-Term Investments (Note 4)	18,059,174	23,711,562
Total Financial Assets	83,424,073	76,875,673
Liabilities		
Accounts Payable and Accrued Liabilities	6,975,157	5,764,316
Accrued Employee Benefit Obligations (Note 5)	9,409,145	9,195,789
Deferred Revenue	15,750,058	15,552,751
Other Liabilities	5,191,915	5,246,977
Capital Lease Obligations (Note 7)	152,181	230,322
Debt (Note 8)	20,852,885	17,182,753
Total Financial Liabilities	58,331,341	53,172,908
Net Financial Assets	25,092,732	23,702,764
Physical Assets:		
Capital Assets	344,170,384	323,429,626
Materials and Supplies	639,606	663,749
	344,809,990	324,093,375
Total Net Financial and Physical Assets	\$ 369,902,722	\$ 347,796,140
Municipal Position		
Fund Balances:		
Operating Funds	\$ 18,344,695	\$ 17,301,312
Capital Funds	17,138,886	12,132,972
Reserve Funds	14,861,762	16,291,757
	50,345,343	45,726,041
Unfunded Employee Benefit Obligations and Interest on Debt (Note 5)	(5,683,116)	(6,078,772)
Equity in Physical Assets	325,240,495	308,148,871
Total Municipal Position	\$ 369,902,722	\$ 347,796,140

Contingent Liabilities (Notes 2 and 6)

See accompanying notes to financial statements.

Director of Finance

THE CORPORATION OF THE DISTRICT OF SAANICH

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

STATEMENT B

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

	<i>Budget</i>	2005	2004
Revenue:			
Taxes (Note 11)	\$ 68,384,262	\$ 68,363,501	\$ 65,202,195
Grants in Lieu of Taxes	2,484,000	2,597,299	2,570,678
Sales of Services	12,898,108	13,156,200	12,760,776
Other Revenue from Own Sources	4,785,209	5,827,916	5,746,185
Transfers from Other Governments	1,441,336	1,484,266	1,423,032
Sale of Water	11,050,643	10,660,361	10,402,793
Water Service Charge	1,580,000	1,595,454	1,580,742
Sewer User Charge	3,031,465	3,084,069	2,830,166
Grants and Contributions	11,598,300	4,583,273	121,502
Reserve Funds	-	1,262,888	971,901
Development Cost Charges (Note 9)	2,232,000	1,513,095	2,416,000
Sub-regional Park Fund (Note 9)	500,000	1,175,445	-
Other	283,793	2,221,150	3,081,943
	<u>120,269,116</u>	<u>117,524,917</u>	<u>109,107,913</u>
Expenditure:			
General Government Services	14,472,335	11,063,353	10,738,059
Protective Services	33,331,820	31,999,456	29,413,455
Engineering and Public Works	22,601,423	15,266,768	14,592,279
Refuse Collection	3,990,555	3,987,763	3,766,675
Community Planning	1,769,539	1,620,683	1,527,318
Recreation, Parks and Cultural Services	47,451,634	35,984,570	27,130,125
Water Supply System	16,655,743	10,972,908	11,678,248
Sewer Enterprise	7,750,165	4,437,391	4,291,442
Other Fiscal Services	389,365	769,064	718,165
	<u>148,412,579</u>	<u>116,101,956</u>	<u>103,855,766</u>
Excess (Deficiency) of Revenue over Expenditure	(28,143,463)	1,422,961	5,252,147
Surplus Appropriated from Previous Years	2,118,000	2,118,000	2,189,000
Debt Issued	12,184,800	6,311,000	2,172,000
Capital Lease Principal Repayment	(78,141)	(78,141)	(78,535)
Debt Principal Reduction	(1,293,427)	(2,640,868)	(3,682,402)
	<u>12,931,232</u>	<u>5,709,991</u>	<u>600,063</u>
Change in Unfunded Employee Benefit Obligations and Interest on Debt (Note 5)	-	(395,650)	101,880
Change in Fund Balance	(15,212,231)	6,737,302	5,954,090
Balance, Beginning of Year Net of Appropriated Surplus	43,608,041	43,608,041	39,771,951
Balance, End of Year	<u>\$ 28,395,810</u>	<u>\$ 50,345,343</u>	<u>\$ 45,726,041</u>

See accompanying notes to financial statements.

THE CORPORATION OF THE DISTRICT OF SAANICH

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

STATEMENT C

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

	2005	2004
Net Cash Inflow (Outflow) Related to the Following Activities:		
Operations:		
Excess of Revenue over Expenditure	\$ 1,422,961	\$ 5,252,147
Changes in Non-Cash Working Capital Items:		
Decrease (Increase) in Property Taxes Receivable	206,959	(81,525)
Decrease in Board of Cemetery Trustees Receivable	33,000	31,429
(Increase) Decrease in Accounts Receivable	(1,460,390)	637,240
Decrease in Inventory for Resale	164	3,416
Decrease (Increase) in Other Assets	1,048	(10,711)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	1,210,841	(1,922,710)
Increase in Accrued Employee Benefit Obligations	213,356	233,205
Increase in Deferred Revenue	197,307	164,193
(Decrease) Increase in Other Liabilities	(55,062)	1,367,859
	<u>1,770,184</u>	<u>5,674,543</u>
Investing:		
Decrease (Increase) in Long-Term Investments	5,652,388	(2,066,702)
Financing:		
Debt Issued	6,311,000	2,172,000
Repayment of Capital Lease	(78,141)	(78,535)
Reduction of Debt	(2,640,868)	(3,682,402)
Reduction of Debt (Board of Cemetery Trustees)	(33,000)	(31,429)
	<u>3,558,991</u>	<u>(1,620,366)</u>
Net Cash Inflow	10,981,563	1,987,475
Cash and Short-Term Investments, Beginning of Year	45,981,625	43,994,150
Cash and Short-Term Investments, End of Year	<u>\$ 56,963,188</u>	<u>\$ 45,981,625</u>

See accompanying notes to financial statements.

THE CORPORATION OF THE DISTRICT OF SAANICH

OPERATING FUNDS

CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCE

STATEMENT D

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

	<i>Budget</i>	2005	2004
Revenue:			
Taxes (Note 11)	\$ 68,384,262	\$ 68,363,501	\$ 65,202,195
Grants in Lieu of Taxes	2,482,000	2,597,299	2,570,678
Sales of Services	12,898,108	13,156,200	12,760,776
Other Revenue from Own Sources	4,785,209	5,827,916	5,746,185
Transfers from Other Governments	1,441,336	1,484,266	1,423,032
Sale of Water	11,050,643	10,660,361	10,402,793
Water Service Charge	1,580,000	1,595,454	1,580,742
Sewer User Charge	3,031,465	3,084,069	2,830,166
Development Cost Charges (Note 9)	-	-	23,000
Other	283,793	812,574	845,396
	<u>105,936,816</u>	<u>107,581,640</u>	<u>103,384,963</u>
Expenditure:			
General Government Services	11,915,435	10,397,347	9,651,367
Protective Services	29,660,820	29,268,545	27,559,622
Engineering and Public Works	10,982,523	10,334,469	10,267,375
Refuse Collection	3,941,055	3,943,626	3,706,395
Community Planning	1,741,239	1,593,157	1,513,637
Recreation, Parks and Cultural Services	25,685,034	25,120,141	23,923,533
Water Supply System	10,331,943	9,554,287	9,578,110
Sewer Enterprise	3,145,465	2,512,906	2,405,160
Other Fiscal Services	389,365	769,064	718,165
	<u>97,792,879</u>	<u>93,493,542</u>	<u>89,323,364</u>
Excess of Revenue over Expenditure	8,143,937	14,088,098	14,061,599
Surplus Appropriated from Previous Years	2,215,000	2,118,000	2,189,000
Debt Principal Reduction	(1,713,428)	(1,712,450)	(2,084,056)
Capital Lease Principal Repayment	(78,141)	(78,141)	(78,535)
Net Interfund Transfers:			
To Capital Funds	(10,585,709)	(9,517,316)	(8,420,938)
To Reserve Funds	(319,687)	(1,341,158)	(1,880,629)
	<u>(10,481,965)</u>	<u>(10,531,065)</u>	<u>(10,275,158)</u>
Change in Unfunded Employee Benefit Obligations and Interest on Debt (Note 5)	-	(395,650)	101,880
Change in Fund Balance	<u>(2,338,028)</u>	<u>3,161,383</u>	<u>3,888,321</u>
Balance, Beginning of Year Net of Appropriated Surplus	15,183,312	15,183,312	13,412,991
Balance, End of Year	<u>\$ 12,845,284</u>	<u>\$ 18,344,695</u>	<u>\$ 17,301,312</u>

See accompanying notes to financial statements.

THE CORPORATION OF THE DISTRICT OF SAANICH

CAPITAL FUNDS

CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCE

STATEMENT E

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

	<i>Budget</i>	2005	2004
Revenue:			
Grants and Contributions:			
Governments and Agencies	\$ 11,598,300	\$ 4,583,273	\$ 101,502
Other	-	-	20,000
	<u>11,598,300</u>	<u>4,583,273</u>	<u>121,502</u>
Development Cost Charges (Note 9)	2,232,000	1,513,095	2,393,000
Sub-regional Park Fund (Note 9)	500,000	1,175,445	-
Other	-	928,418	1,598,346
Municipal Finance Authority			
Sinking Fund Surplus	-	480,158	638,201
	<u>14,330,300</u>	<u>8,680,389</u>	<u>4,751,049</u>
Expenditure:			
General Capital:			
General Government Services	2,556,900	666,006	1,086,692
Protective Services	3,671,000	2,730,911	1,853,833
Engineering and Public Works	11,618,900	4,932,299	4,324,904
Refuse Collection	49,500	44,137	60,280
Community Planning	28,300	27,526	13,681
Recreation, Parks and Cultural Services	21,766,600	10,864,429	3,206,592
	<u>39,691,200</u>	<u>19,265,308</u>	<u>10,545,982</u>
Water Supply System	6,323,800	1,418,621	2,100,138
Sewer Enterprise	4,604,700	1,924,485	1,886,282
	<u>50,619,700</u>	<u>22,608,414</u>	<u>14,532,402</u>
Excess of Capital Expenditures	36,289,400	13,928,025	9,781,353
Debt Issued	12,184,800	6,311,000	2,172,000
Principal Reduction Debt	-	(928,418)	(1,598,346)
Net Interfund Transfers:			
From Operating Funds	10,585,709	9,517,316	8,420,938
From Reserve Funds	4,813,900	4,034,041	1,257,159
	<u>15,399,609</u>	<u>13,551,357</u>	<u>9,678,097</u>
Change in Fund Balance	(8,704,991)	5,005,914	470,398
Balance, Beginning of Year	12,132,972	12,132,972	11,662,574
Balance, End of Year	\$ 3,427,981	\$ 17,138,886	\$ 12,132,972

See accompanying notes to financial statements.

THE CORPORATION OF THE DISTRICT OF SAANICH

RESERVE FUNDS

CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCE

STATEMENT F

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

	<i>Budget</i>	2005	2004
Revenue:			
Investment Income	\$ -	\$ 362,153	\$ 502,426
Sale of Property	-	-	119,400
Fees and Contributions	-	202,390	214,126
Other	-	698,345	135,949
	-	1,262,888	971,901
Net Interfund Transfers:			
From Operating Funds	319,687	1,341,158	1,880,629
To Capital Funds	(4,813,900)	(4,034,041)	(1,257,159)
	(4,494,213)	(2,692,883)	623,470
Change in Fund Balance	(4,494,213)	(1,429,995)	1,595,371
Balance, Beginning of Year	16,291,757	16,291,757	14,696,386
Balance, End of Year	\$ 11,797,544	\$ 14,861,762	\$ 16,291,757

See accompanying notes to financial statements.

THE CORPORATION OF THE DISTRICT OF SAANICH

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2005

The Corporation of the District of Saanich (the "Corporation") is incorporated and operates under the provisions of the British Columbia Local Government Act.

1. Significant Accounting Policies:

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

(a) Reporting entity:

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

(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 give 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.

(c) Fund accounting:

Funds within the consolidated financial statements consist of the general operating, sewer operating, water operating, general capital, sewer capital, water capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

(d) Investments:

Investments are recorded at cost except for the investments in the Municipal Finance Authority of British Columbia Bond, Intermediate and Money Market Funds, which are recorded at cost plus interest earned and reinvested in the funds.

(e) Physical assets:

Physical assets, comprised of capital assets, capital work-in-progress and inventories of materials and supplies, are recognized as expenditures in the period they are acquired.

THE CORPORATION OF THE DISTRICT OF SAANICH

NOTES TO FINANCIAL STATEMENTS, page 2

Year ended December 31, 2005

1. Significant Accounting Policies (continued):

(e) Physical assets (continued):

Engineering structures, equipment and software have been recorded at cost to the Corporation. Land and buildings acquired prior to 1957 are recorded at 1956 assessed values and subsequent additions are at cost except schools, which are recorded at 1951 assessed values. Equipment acquired prior to 1987 is recorded at 1986 inventory values and subsequent acquisitions are at cost.

Inventories of materials and supplies are valued at weighted average cost with allowances made for damaged or obsolete goods.

Amortization is not recorded on capital assets.

(f) Reserve accounts - General Operating Fund:

The following reserve accounts are non-statutory reserves established at the discretion of Council:

- (i) A centennial reserve provides for expenditures anticipated during the centennial year of the Corporation in 2006.
- (ii) An insurance reserve provides for potential claims not covered by the Corporation's liability insurance policy.
- (iii) A reserve for future expenditures represents amounts set aside from past and current operations for future operating and capital expenditures.
- (iv) A reserve provides for property acquired for taxes.
- (v) A reserve for debt levies in advance of maturities is provided equal to debt charges collected in advance of the obligation to fund these debt charges. These advance collections will be used to pay debt charges in future periods.
- (vi) A working capital reserve, established from the operating funds, provides funding for accounts receivable, materials and supplies.
- (vii) A community public art reserve represents amounts carried forward for the purchase or commission and maintenance of public art.

THE CORPORATION OF THE DISTRICT OF SAANICH

NOTES TO FINANCIAL STATEMENTS, page 3

Year ended December 31, 2005

1. Significant Accounting Policies (continued):

(g) Employee future benefits:

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

Sick leave and other retirement benefits are also available to the Corporation'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.

(h) Equity in physical assets:

Equity in physical assets represents the investment in physical assets after deducting the portion financed by debt.

(i) Government transfers:

Government transfers are recognized in the consolidated financial statements 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.

(j) Use of estimates:

The preparation of consolidated financial statements in conformity with Canadian 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 consolidated financial statements, and the reported amounts of revenues and expenditures during the period. Significant areas requiring the use of management estimates relate to the determination of employee benefit obligations and provision for contingencies. Actual results could differ from those estimates.

2. Contingent Liabilities:

(a) Capital Regional District debt, under the provisions of the Local Government Act, is a direct, joint and several liability of the Capital Regional District and each member municipality within the District, including The Corporation of the District of Saanich.

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

THE CORPORATION OF THE DISTRICT OF SAANICH

NOTES TO FINANCIAL STATEMENTS, page 4

Year ended December 31, 2005

2. Contingent Liabilities (continued):

(c) In the normal course of a year, claims for alleged damages are made against the Corporation and are recorded when settled. The Corporation maintains an insurance reserve to provide for claims, and also maintains insurance coverage to provide for insured claims should they exceed \$2,000,000 in any year.

3. Contractual Obligations:

At December 31, 2005, the following major contracts were incomplete:

	Total Amount of Contract	Paid or Accrued on Contract to December 31, 2005
Purchase of Public Works and Fire Vehicles and Equipment	\$ 335,962	\$ -

4. Cash and Investments:

Cash and Short-Term Investments:

	2005	2004
Cash	\$ 1,289,398	\$ 852,530
Bankers' Acceptances and Municipal Finance Authority Money Market Fund	55,673,790	45,129,095
	\$ 56,963,188	\$ 45,981,625

Long-Term Investments:

	2005	2004
Municipal Finance Authority Debentures	\$ 2,144,174	\$ 2,168,562
Municipal Finance Authority Intermediate and Bond Funds	15,915,000	21,543,000
	\$ 18,059,174	\$ 23,711,562

Short-term investments had effective interest rates of 2.51% to 3.66% (2004 - 2.46% to 3.18%) and mature in less than one year. The Municipal Finance Authority debentures have stated interest rates of 4.90% to 6.75% and mature from 2007 to 2013. The Municipal Finance Authority Funds earn interest based on current market conditions and do not have set maturity dates.

THE CORPORATION OF THE DISTRICT OF SAANICH

NOTES TO FINANCIAL STATEMENTS, page 5

Year ended December 31, 2005

5. Accrued Employee Benefit Obligations and Interest on Debt:

The Corporation provides sick leave and certain other benefits to its employees. These amounts and other employee related liabilities, and certain accrued interest on debt will require funding in future periods and are set out below:

	2005	2004	Decrease
Vacation Pay and Banked Overtime	\$ 1,533,295	\$ 1,615,724	\$ (82,429)
Accumulated Sick Leave and Retirement Benefit Payments	7,875,851	7,580,065	295,786
Total Employee Benefit Obligations	9,409,146	9,195,789	213,357
Less Funded Amount	(4,011,566)	(3,424,383)	(587,183)
Unfunded Employee Benefit Obligations	5,397,580	5,771,406	(373,826)
Unfunded Accrued Interest on Debt	285,536	307,366	(21,830)
Total Unfunded	\$ 5,683,116	\$ 6,078,772	\$ (395,656)

Accrued vacation pay and banked overtime are the calculated value of entitlement carried forward into the next year. Accumulated sick leave represents the liability for sick leave banks accumulated for possible draw down at future dates and/or for payout either on an approved retirement, or upon termination or death. Retirement benefit payments represent the Corporation's share of the cost to provide employees with various benefits upon retirement including lump sum retirement payments, certain vacation entitlements in the year of retirement, and pension buyback arrangements for qualified employees. The accrued benefit obligations and the net periodic benefit cost are estimated using an actuarial cost method.

Information about obligations for employee sick leave and retirement benefit plan is as follows:

	2005	2004
Balance, Beginning of Year	\$ 7,580,065	\$ 7,227,750
Current Service Cost	721,226	781,503
Interest Cost	436,235	418,355
Benefits Paid	(861,675)	(847,543)
Balance, End of Year	\$ 7,875,851	\$ 7,580,065

THE CORPORATION OF THE DISTRICT OF SAANICH

NOTES TO FINANCIAL STATEMENTS, page 6

Year ended December 31, 2005

5. Accrued Employee Benefit Obligations and Interest on Debt (continued):

The significant actuarial assumptions adopted in measuring the Corporation's accrued benefit obligations are as follows:

	2005	2004
Discount rates	5.00%	5.00%
Expected future inflation rates	2.50%	2.50%
Expected wage and salary increases	2.59% to 4.50%	2.59% to 4.50%

6. Municipal Finance Authority Debt Reserve Fund:

The Corporation issues its debt instruments through the Municipal Finance Authority. As a condition of the borrowing, the Corporation must lodge security by means of demand notes and interest bearing cash deposits based on the amount of the borrowing. These notes and deposits, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default and are not recorded in the financial statements. The demand note total for the year was \$2,007,331 (2004 - \$1,822,854) and the cash deposit total for the year was \$781,818 (2004 - \$712,611).

7. Capital Lease Obligations:

2006	\$	66,701
2007		63,239
2008		44,380
Thereafter		-
Total minimum lease payments		174,320
Less amount representing interest		22,139
Net minimum capital lease payments	\$	152,181

Total interest expense during the year was \$9,245 (2004 - \$12,062) and interest rates ranged from 3.50% to 6.50%.

THE CORPORATION OF THE DISTRICT OF SAANICH

NOTES TO FINANCIAL STATEMENTS, page 7

Year ended December 31, 2005

8. Debt:

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

In 2003 the Corporation borrowed \$1,500,000 on behalf of the Board of Cemetery Trustees of Greater Victoria. The Corporation is reimbursed for all payments of principal and interest as it is paid. In 2005 the debt and the receivable balance recorded in the financial statements is \$1,435,571.

Principal payments on debt for the next five years are as follows:

	Short-Term Capital Loans	General	Local Improvements	Sewer	Total
2006	\$ 54,800	1,471,741	9,500	418,471	1,954,512
2007	-	1,355,885	9,500	404,105	1,769,490
2008	-	1,226,126	9,500	371,665	1,607,291
2009	-	761,777	9,500	299,835	1,071,112
2010	-	655,885	9,500	274,346	939,731

Interest on long-term debt ranges from 4.17% to 8.13% with maturity dates from September 25, 2006 to June 3, 2028.

9. Deferred Revenue:

Development Cost Charges and Sub-regional Parks Reserve are restricted revenue liabilities represent funds received from developers and deposited into a separate reserve fund for capital expenditures. The Federal Gas Tax Reserve represents funds received from the Federal Government under the "New Deal" to be used for eligible projects. In accordance with PSAB standards, the Corporation records these funds as deferred revenue which are then recognized as revenue when the related costs are incurred.

Development Cost Charges	2005	2004
Balance, Beginning of Year	\$ 12,837,755	\$ 13,283,985
Investment Income	369,111	555,330
Fees and Contributions	933,791	1,414,440
Transfers to:		
Sewer Operating Fund	-	(23,000)
General Capital Fund	(1,496,325)	(1,636,000)
Sewer Capital Fund	(16,770)	(757,000)
	(1,513,095)	(2,416,000)
Balance, End of Year	\$ 12,627,562	\$ 12,837,755

THE CORPORATION OF THE DISTRICT OF SAANICH

NOTES TO FINANCIAL STATEMENTS, page 8

Year ended December 31, 2005

9. Deferred Revenue (continued):

Sub-regional Parks Reserve	2005	2004
Balance, Beginning of Year	\$ 907,769	\$ 612,571
Investment Income	37,074	25,428
Fees and Contributions	605,808	269,770
Transfer to General Capital Fund	(1,175,445)	-
Balance, End of Year	\$ 375,206	\$ 907,769

Federal Gas Tax Reserve	2005	2004
Balance, Beginning of Year	\$ -	\$ -
Contributions	864,870	-
Investment Income	1,560	-
Balance, End of Year	\$ 866,430	\$ -

10. Expenditure by Object:

	2005	2004
Salaries, Wages and Benefits	\$ 65,411,758	\$ 63,894,580
Goods and Services	43,378,444	34,752,245
Interest and Financial Charges	2,401,318	2,465,166
Other	4,693,435	2,743,775
	\$ 115,884,955	\$ 103,855,766

11. Taxes Levied for Other Authorities:

In addition to taxes levied for municipal purposes, the Corporation is legally obligated to collect and remit taxes levied for the following authorities. These collections and remittances are not recorded as revenue and expenditures.

	2005	2004
Provincial Government - School Taxes	\$ 43,130,363	\$ 41,413,242
Capital Regional District	8,053,056	7,447,143
Capital Regional Hospital District	3,986,133	3,906,522
Municipal Finance Authority	4,008	3,334
B.C. Assessment Authority	1,471,416	1,399,443
B.C. Transit Authority	2,459,757	2,445,413
	\$ 59,104,733	\$ 56,615,097

THE CORPORATION OF THE DISTRICT OF SAANICH

NOTES TO FINANCIAL STATEMENTS, page 9

Year ended December 31, 2005

12. Pension Plan:

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, 2004 indicated a 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 Corporation paid \$4,822,427 for employer contributions to the plan in fiscal 2005.

13. Comparative figures:

The Corporation has made retroactive adjustments in recognizing a deferred portion of the permit fees received in the year. This adjustment has been applied retroactively to 2004 and has decreased the municipal position in 2004 by \$277,263. This change has also decreased the 2004 revenues by \$277,263.

ABCD

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AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION TO THE MAYOR AND COUNCIL

We have audited and reported separately herein on the consolidated financial statements of The Corporation of the District of Saanich as at and for the year ended December 31, 2005.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in Statements 1 through 17 and Schedules 1 through 17 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.



Chartered Accountants

Victoria, Canada

April 28, 2006

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL CAPITAL FUND STATEMENT OF FINANCIAL POSITION

STATEMENT 1

December 31, 2005, with comparative figures for 2004

	2005	2004
Assets		
Financial Assets:		
Cash and Short-Term Investments	\$ 8,692,475	\$ 4,986,681
Province of BC Receivable	1,099,273	-
	<u>9,791,748</u>	<u>4,986,681</u>
Capital Assets:		
Engineering Structures, Buildings, Equipment and Land (Schedule 1)	242,350,986	230,524,772
Work in Progress	11,505,591	5,934,154
	<u>253,856,577</u>	<u>236,458,926</u>
	<u>\$ 263,648,325</u>	<u>\$ 241,445,607</u>

Liabilities and Municipal Position

Debt (Note 8) (Schedule 2)	\$ 14,124,962	\$ 9,838,560
Capital Lease Obligations	152,182	230,322
Fund Balance (Statement 3)	9,791,746	4,986,681
Equity in Capital Assets (Statement 2)	239,579,435	226,390,044
	<u>\$ 263,648,325</u>	<u>\$ 241,445,607</u>

Contingent Liabilities (Note 2)

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL CAPITAL FUND

STATEMENT OF EQUITY IN CAPITAL ASSETS

STATEMENT 2

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

	2005	2004
Balance, Beginning of Year	\$ 226,390,044	\$ 216,184,946
Add:		
Capital Expenditures	19,265,308	10,545,982
Debt Issued	(6,311,000)	(1,372,000)
Repayment of Capital Lease Obligations	78,141	78,535
Retirement of Debt:		
General	1,140,993	1,216,438
Local Improvements	10,186	17,759
Actuarial Adjustment	763,619	1,307,932
Short-Term Capital Loan	109,800	142,800
	241,447,091	228,122,392
Deduct:		
Asset Revaluations	1,867,656	1,732,348
Balance, End of Year	\$ 239,579,435	\$ 226,390,044

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL CAPITAL FUND

STATEMENT OF CHANGES IN FUND BALANCE

STATEMENT 3

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

	<i>Budget</i>	2005	2004
Revenue:			
Grants and Contributions:			
Governments and Agencies	\$ 8,432,300	\$ 4,573,273	\$ 80,000
Other	-	-	20,000
Development Cost Charges (Note 9)	2,232,000	1,496,325	1,636,000
Sub-regional Park Fund	500,000	1,175,445	-
Other	-	763,619	1,307,932
Municipal Finance Authority Sinking Fund Surplus	-	399,542	557,364
	<u>11,164,300</u>	<u>8,408,204</u>	<u>3,601,296</u>
Expenditure:			
Capital Assets (Schedule 3)	39,691,200	19,265,308	10,545,982
Excess of Capital Expenditures	<u>28,526,900</u>	<u>10,857,104</u>	<u>6,944,686</u>
Debt Issued	12,184,800	6,311,000	1,372,000
Debt Principal Reduction	-	(763,619)	(1,307,932)
Transfers from:			
General Operating Fund (Schedule 17)	7,132,709	6,080,747	5,290,557
Reserve Funds:			
Land Sales	1,200,000	938,967	30,000
Public Safety & Security	299,300	299,300	-
Equipment Depreciation	3,064,600	2,547,003	957,799
Capital Works	50,000	48,771	69,360
Sayward Gravel Pit	200,000	200,000	200,000
	<u>24,131,409</u>	<u>15,662,169</u>	<u>6,611,784</u>
Change in Fund Balance	<u>(4,395,491)</u>	<u>4,805,065</u>	<u>(332,902)</u>
Balance, Beginning of Year	4,986,681	4,986,681	5,319,583
Balance, End of Year	<u>\$ 591,190</u>	<u>\$ 9,791,746</u>	<u>\$ 4,986,681</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND STATEMENT OF FINANCIAL POSITION

STATEMENT 4

December 31, 2005, with comparative figures for 2004

	2005	2004
Assets		
Financial Assets:		
Cash and Short-Term Investments	\$ 23,090,490	\$ 21,471,801
Receivables:		
Property Taxes	1,980,892	1,979,781
Board of Cemetery Trustees of Greater Victoria	1,435,571	1,468,571
Federal Government and Agencies	356,362	307,038
Provincial Government and Agencies	159,377	108,490
Other	749,162	671,296
	<u>4,681,364</u>	<u>4,535,176</u>
Inventory for Resale	73,299	73,463
Property Acquired for Taxes	6,796	6,796
Property Acquired for Taxes Subject to Redemption	9,669	10,711
	<u>27,861,618</u>	<u>26,097,947</u>
Physical Assets:		
Materials and Supplies	388,969	384,440
	<u>\$ 28,250,587</u>	<u>\$ 26,482,387</u>

STATEMENT 4

	2005	2004
Liabilities and Municipal Position		
Liabilities		
Payables:		
Federal and Provincial Governments and Agencies	\$ 1,685,578	\$ 1,538,695
Trade Accounts and Accrued Liabilities	5,221,852	4,153,734
Accrued Employee Benefit Obligations (Note 5)	9,409,145	9,195,789
	16,316,576	14,888,218
Deferred Revenue	1,880,861	1,807,227
Other Liabilities:		
Tax Sale Surplus	43,659	49,659
Prepaid Property Taxes	2,931,728	2,642,070
Deposits and Holdbacks	2,216,528	2,555,248
	5,191,915	5,246,977
Debt (Note 8)	1,435,570	1,468,571
	24,824,922	23,410,993
Municipal Position		
Reserves (Note 1(f)):		
Saanich Centennial	29,040	29,040
Insurance	2,197,300	2,710,000
Future Expenditures	3,038,164	2,941,791
Property Acquired for Taxes	6,796	6,796
Debt Levies in Advance of Maturities	25,727	42,571
Working Capital	1,000,000	1,000,000
Community Public Art	64,816	62,869
	6,361,842	6,793,067
Surplus (Statement 5)	2,746,945	2,357,099
	9,108,787	9,150,166
Unfunded Employee Benefit Obligations and Interest on Debt (Note 5)	(5,683,122)	(6,078,772)
	\$ 28,250,587	\$ 26,482,387

Contingent Liabilities (Note 2)

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND STATEMENT OF FINANCIAL ACTIVITIES

STATEMENT 5

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

	<i>Budget</i>	2005	2004
Revenue:			
Taxes (Schedule 4) (Note 11)	\$ 68,384,262	\$ 68,363,501	\$ 65,202,195
Grants in Lieu of Taxes	2,482,000	2,597,299	2,570,678
Sales of Services (Schedule 5)	12,898,108	13,156,200	12,760,776
Other Revenue from Own Sources (Schedule 6)	4,785,209	5,827,916	5,746,185
Transfers from Other Governments	1,441,336	1,484,266	1,423,032
Other	113,793	616,210	601,710
	<u>90,104,708</u>	<u>92,045,392</u>	<u>88,304,576</u>
Expenditure:			
General Government Services (Schedule 7)	11,915,435	10,397,347	9,651,367
Protective Services (Schedule 8)	29,660,820	29,268,545	27,559,622
Engineering and Public Works (Schedule 9)	10,982,523	10,334,469	10,267,375
Refuse Collection	3,941,055	3,943,626	3,706,395
Community Planning	1,741,239	1,593,157	1,513,637
Recreation, Parks and Cultural Services (Schedule 10)	25,685,034	25,120,141	23,923,533
Other Fiscal Services	353,365	762,559	702,745
	<u>84,279,471</u>	<u>81,419,843</u>	<u>77,324,674</u>
Excess of Revenue over Expenditure	5,825,237	10,625,549	10,979,902
Surplus Appropriated from Previous Years	2,118,000	2,118,000	2,000,000
Debt Principal Reduction (Schedule 11)	(1,293,428)	(1,293,979)	(1,376,998)
Capital Lease Principal Reduction	(78,141)	(78,141)	(78,535)
Transfers from Own Reserve Accounts and Other Funds	4,949,664	4,945,649	2,792,953
Transfers to Own Reserve Accounts and Other Funds	(11,521,332)	(13,418,111)	(12,557,062)
Materials and Supplies Adjustment	-	4,529	(21,152)
	<u>(5,825,237)</u>	<u>(7,722,053)</u>	<u>(9,240,794)</u>
Change in Unfunded Employee Benefit Obligations and Interest on Debt (Note 5)	-	(395,650)	101,880
Change in Surplus	-	2,507,846	1,840,988
Balance, Beginning of Year Net of Appropriated Surplus	239,099	239,099	516,111
Balance, End of Year	\$ 239,099	\$ 2,746,945	\$ 2,357,099

THE CORPORATION OF THE DISTRICT OF SAANICH

WATER SUPPLY SYSTEM CAPITAL FUND STATEMENT OF FINANCIAL POSITION

STATEMENT 6

December 31, 2005, with comparative figures for 2004

	2005	2004
Assets		
Cash and Short-Term Investments	\$ 4,305,986	\$ 3,259,372
Capital Assets:		
Engineering Structures	40,150,163	37,174,325
Equipment	629,177	586,048
Land	426	426
Work in Progress	483,158	2,083,504
	<u>41,262,924</u>	<u>39,844,303</u>
	<u>\$ 45,568,910</u>	<u>\$ 43,103,675</u>
Liabilities and Municipal Position		
Fund Balance (Statement 8)	\$ 4,305,986	\$ 3,259,372
Equity in Capital Assets (Statement 7)	41,262,924	39,844,303
	<u>\$ 45,568,910</u>	<u>\$ 43,103,675</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

WATER SUPPLY SYSTEM CAPITAL FUND STATEMENT OF EQUITY IN CAPITAL ASSETS

STATEMENT 7

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

	2005	2004
Balance, Beginning of Year	\$ 39,844,303	\$ 37,698,634
Add:		
Capital Expenditures	1,418,621	2,100,138
Retirement of Debt:		
Local Improvements	-	1,244
Actuarial Adjustment	-	44,287
Balance, End of Year	\$ 41,262,924	\$ 39,844,303

STATEMENT OF CHANGES IN FUND BALANCE

STATEMENT 8

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

	Budget	2005	2004
Revenue:			
Actuarial Adjustment on Debt	\$ -	\$ -	\$ 44,287
Government Grant	2,166,000	-	-
Municipal Finance Authority Sinking Fund Surplus	-	15,801	4,378
	2,166,000	15,801	48,665
Expenditure:			
Engineering Structures	6,259,030	1,375,492	2,017,880
Equipment	64,770	43,129	82,258
	6,323,800	1,418,621	2,100,138
Excess of Capital Expenditures	4,157,800	1,402,820	2,051,473
Actuarial Adjustment on Debt	-	-	(44,287)
Transfers from Water Supply System Operating Fund	-	-	-
	2,473,000	2,449,434	2,252,204
	2,473,000	2,449,434	2,207,917
Change in Fund Balance	(1,684,800)	1,046,614	156,444
Balance, Beginning of Year	3,259,372	3,259,372	3,102,928
Balance, End of Year	\$ 1,574,572	\$ 4,305,986	\$ 3,259,372

THE CORPORATION OF THE DISTRICT OF SAANICH

WATER SUPPLY SYSTEM OPERATING FUND STATEMENT OF FINANCIAL POSITION

STATEMENT 9

December 31, 2005, with comparative figures for 2004

	2005	2004
Assets		
Financial Assets:		
Cash and Short-Term Investments	\$ 2,530,317	\$ 2,041,902
Receivables:		
Consumers	1,737,502	1,775,402
	<u>4,267,819</u>	<u>3,817,304</u>
Physical Assets:		
Materials and Supplies	250,639	279,309
	<u>\$ 4,518,456</u>	<u>\$ 4,096,613</u>
Liabilities and Municipal Position		
Surplus (Statement 10)	\$ 4,518,456	\$ 4,096,613
	<u>\$ 4,518,456</u>	<u>\$ 4,096,613</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

WATER SUPPLY SYSTEM OPERATING FUND STATEMENT OF FINANCIAL ACTIVITIES

STATEMENT 10

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

	<i>Budget</i>	2005	2004
Revenue:			
Sale of Water	\$ 11,050,643	\$ 10,660,361	\$ 10,402,793
Water Service Charge	1,580,000	1,595,454	1,580,742
Other	170,000	189,638	188,215
	<u>12,800,643</u>	<u>12,445,453</u>	<u>12,171,750</u>
Expenditure:			
Water Supply:			
Administration	855,000	855,000	794,000
Water Purchased	6,280,000	5,591,910	6,060,680
Transmission and Distribution	2,830,594	2,757,613	2,374,046
Customer Billing and Collection	364,449	349,764	347,332
Debt Interest Charges:			
Local Improvements	1,900	-	2,052
Other Fiscal Services	1,000	-	252
	<u>10,332,943</u>	<u>9,554,287</u>	<u>9,578,362</u>
Excess of Revenue over Expenditure	2,467,700	2,891,166	2,593,388
Surplus Appropriated from Previous Year	-	-	111,000
Debt Principal Repayment:			
Local Improvements	-	-	(1,244)
Transfers from General Operating Fund			
- Frontage Taxes	5,300	5,310	8,404
- Other	-	3,471	994
Transfers to Water Supply System Capital Fund	(2,473,000)	(2,449,434)	(2,252,204)
Materials and Supplies Adjustment		(28,670)	(2,100)
	<u>(2,467,700)</u>	<u>(2,469,323)</u>	<u>(2,135,150)</u>
Change in Surplus	-	421,843	458,238
Balance, Beginning of Year			
Net of Appropriated Surplus	4,096,613	4,096,613	3,638,375
Balance, End of Year	\$ 4,096,613	\$ 4,518,456	\$ 4,096,613

THE CORPORATION OF THE DISTRICT OF SAANICH

SEWER ENTERPRISE CAPITAL FUND STATEMENT OF FINANCIAL POSITION

STATEMENT 11

December 31, 2005, with comparative figures for 2004

	2005	2004
Assets		
Cash and Short-Term Investments	\$ 3,041,154	\$ 3,886,919
Capital Assets:		
Engineering Structures	47,053,065	44,324,496
Equipment	278,518	278,518
Work in Progress	1,719,300	2,523,383
	<u>49,050,883</u>	<u>47,126,397</u>
	<u>\$ 52,092,037</u>	<u>\$ 51,013,316</u>
Liabilities and Municipal Position		
Debt (Note 8) (Schedule 2)	\$ 5,292,353	\$ 5,875,622
Fund Balance (Statement 13)	3,041,154	3,886,919
Equity in Capital Assets (Statement 12)	43,758,530	41,250,775
	<u>\$ 52,092,037</u>	<u>\$ 51,013,316</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

SEWER ENTERPRISE CAPITAL FUND STATEMENT OF EQUITY IN CAPITAL ASSETS

STATEMENT 12

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

	2005	2004
Balance, Beginning of Year	\$ 41,250,775	\$ 39,212,551
Add:		
Capital Expenditures	1,924,485	1,886,282
Debt Issued	-	(800,000)
Retirement of Debt:		
General	418,471	705,815
Actuarial Adjustment	164,799	246,127
Balance, End of Year	\$ 43,758,530	\$ 41,250,775

STATEMENT OF CHANGES IN FUND BALANCE

STATEMENT 13

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

	<i>Budget</i>	2005	2004
Revenue:			
Grants and Contributions:			
Government and Agencies	\$ 1,000,000	\$ 10,000	\$ 21,502
Development Cost Charges (Note 9)	-	16,770	757,000
Actuarial Adjustment on Debt	-	164,799	246,127
Municipal Finance Authority Sinking Fund Surplus	-	64,815	76,459
	<u>1,000,000</u>	<u>256,384</u>	<u>1,101,088</u>
Expenditure:			
Engineering Structures	4,604,700	1,924,485	1,886,282
Excess of Capital Expenditures	<u>3,604,700</u>	<u>1,668,101</u>	<u>785,194</u>
Debt Issued	-	-	800,000
Actuarial Adjustment on Debt	-	(164,799)	(246,127)
Transfers from Sewer Enterprise Operating Fund	980,000	987,135	878,177
	<u>980,000</u>	<u>822,336</u>	<u>1,432,050</u>
Change in Fund Balance	<u>(2,624,700)</u>	<u>(845,765)</u>	<u>646,856</u>
Balance, Beginning of Year	3,886,919	3,886,919	3,240,063
Balance, End of Year	\$ <u>1,262,219</u>	\$ <u>3,041,154</u>	\$ <u>3,886,919</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

SEWER ENTERPRISE OPERATING FUND STATEMENT OF FINANCIAL POSITION

STATEMENT 14

December 31, 2005, with comparative figures for 2004

	2005	2004
Assets		
Cash and Short-Term Investments	\$ 5,424,789	\$ 4,790,169
	<u>\$ 5,424,789</u>	<u>\$ 4,790,169</u>
Liabilities and Municipal Position		
Payables:		
Accrued Interest on Debt	\$ 67,727	\$ 71,887
Surplus (Statement 15)	5,357,062	4,718,282
	<u>\$ 5,424,789</u>	<u>\$ 4,790,169</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

SEWER ENTERPRISE OPERATING FUND STATEMENT OF FINANCIAL ACTIVITIES

STATEMENT 15

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

	<i>Budget</i>	2005			2004
		Debt	Maintenance	Total	Total
Revenue:					
Sewer User Charges	\$ 3,031,465	\$ -	\$ 3,084,069	\$ 3,084,069	\$ 2,830,166
Development Cost Charges (Note 9)	-	-	-	-	23,000
Other	-	6,505	-	6,505	55,471
	<i>3,031,465</i>	<i>6,505</i>	<i>3,084,069</i>	<i>3,090,574</i>	<i>2,908,637</i>
Expenditure:					
Administration	498,688	-	505,186	505,186	402,525
Sewage Collection and Disposal	1,649,777	-	1,456,181	1,456,181	1,434,426
Debt Charges:					
Interest	970,000	551,539	-	551,539	562,672
Other	27,000	-	-	-	5,537
Other Fiscal Services	35,000	6,505	-	6,505	15,168
	<i>3,180,465</i>	<i>558,044</i>	<i>1,961,367</i>	<i>2,519,411</i>	<i>2,420,328</i>
Excess (Deficiency) of Revenue over Expenditure	<i>(149,000)</i>	<i>(551,539)</i>	<i>1,122,702</i>	<i>571,163</i>	<i>488,309</i>
Surplus Appropriated from Previous Years	97,000	-	-	-	78,000
Debt Principal Repayment	<i>(420,000)</i>	<i>(418,471)</i>	-	<i>(418,471)</i>	<i>(705,815)</i>
Transfers from General Operating Fund	1,452,000	1,473,223	-	1,473,223	1,450,091
Transfers to Sewer Enterprise Capital Fund	<i>(980,000)</i>	-	<i>(987,135)</i>	<i>(987,135)</i>	<i>(878,177)</i>
	<i>149,000</i>	<i>1,054,752</i>	<i>(987,135)</i>	<i>67,617</i>	<i>(55,901)</i>
Change in Surplus	-	503,213	135,567	638,780	432,408
Balance, Beginning of Year					
Net of Appropriated Surplus	4,718,282	3,184,638	1,533,644	4,718,282	4,285,874
Balance, End of Year	\$ 4,718,282	\$ 3,687,851	\$ 1,669,211	\$ 5,357,062	\$ 4,718,282

THE CORPORATION OF THE DISTRICT OF SAANICH

RESERVE FUNDS

STATEMENT OF FINANCIAL POSITION

STATEMENT 16

December 31, 2005, with comparative figures for 2004

	2005	2004
Financial Assets		
Cash and Short-Term Investments	\$ 9,877,977	\$ 5,544,781
Receivables:		
Development Cost Charges	161,958	254,954
Other	631,850	525,984
	<u>793,808</u>	<u>780,938</u>
Long-Term Investments	18,059,174	23,711,562
	<u>\$ 28,730,959</u>	<u>\$ 30,037,281</u>
Liabilities and Municipal Position		
Deferred Revenue (Note 9)	\$ 13,869,197	\$ 13,745,524
Reserve Funds Balances (Statement 17):		
Land Sales Reserve Fund	569,825	1,415,093
Public Safety and Security Reserve Fund	920,668	1,009,145
Equipment Depreciation Reserve Fund	3,221,825	4,027,500
Capital Works Reserve Fund	3,721,991	2,838,791
Commonwealth Pool Operating Reserve Fund	2,470,080	2,688,962
Commonwealth Pool High Performance Repair and Replacement Reserve Fund	165,457	134,882
Sayward Gravel Pit Reserve Fund	2,672,108	2,972,446
	<u>13,741,954</u>	<u>15,086,819</u>
Investment Income Reserve	344,000	442,000
Receivable Reserve	775,808	762,938
	<u>\$ 28,730,959</u>	<u>\$ 30,037,281</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

RESERVE FUNDS

STATEMENT OF CHANGES IN FUNDS BALANCES

STATEMENT 17

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

	Land Sales Reserve Fund	Public Safety and Security Reserve Fund	Equipment Depreciation Reserve Fund	Capital Works Reserve Fund	Commonwealth Pool Operating Reserve Fund	Commonwealth Pool High Performance Repair and Replacement Reserve Fund	Sayward Gravel Pit Reserve Fund	2005 Total	2004 Total
Balance, Beginning of Year	\$ 1,415,093	1,009,145	4,027,500	2,838,791	2,688,962	134,882	2,972,446	15,086,819	13,501,131
Revenues:									
Investment Income	42,899	36,696	87,058	72,390	111,118	4,330	105,662	460,153	466,426
Sale of Property	-	-	-	-	-	-	-	-	119,400
Fees and Contributions	50,800	-	-	138,720	-	-	-	189,520	240,443
Other	-	-	20,000	678,345	-	-	-	698,345	135,949
	1,508,792	1,045,841	4,134,558	3,728,246	2,800,080	139,212	3,078,108	16,434,837	14,463,349
Transfer from:									
General Operating Fund	-	608,607	1,634,270	147,516	-	71,245	-	2,461,638	2,432,629
Transfers to:									
General Capital Fund	(938,967)	(299,300)	-	(48,771)	-	-	(200,000)	(4,034,041)	(1,257,159)
General Operating Fund	-	(424,480)	-	(105,000)	(330,000)	(45,000)	(206,000)	(1,120,480)	(552,000)
Balance, end of year	\$ 569,825	920,668	3,221,825	3,721,991	2,470,080	165,457	2,672,108	13,741,954	15,086,819

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL CAPITAL FUND CAPITAL ASSETS

SCHEDULE 1

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

Functional Classification	2005					2004
	Engineering Structures	Buildings	Equipment	Land	Total	Total
General Government Services:						
Civic Offices	\$ -	2,263,818	6,962,566	184,094	9,410,478	9,448,819
Protective Services:						
Police Protection	-	3,947,313	4,170,915	47,942	8,166,170	8,142,474
Fire Protection	-	3,457,021	4,821,556	22,813	8,301,390	5,518,577
Emergency Program	-	-	304,608	-	304,608	307,494
Engineering and Public Works:						
Municipal Yard	855,005	1,260,380	1,528,249	214,945	3,858,579	3,252,141
Vehicles and Machinery	-	-	7,706,448	-	7,706,448	7,332,206
Maps and Plans	-	-	730,165	-	730,165	678,543
Roads and Culverts	59,670,760	-	-	1,010,738	60,681,498	58,343,935
Sidewalks	8,281,559	-	-	-	8,281,559	7,955,719
Drainage	27,340,304	-	-	-	27,340,304	26,436,138
Bridges	1,513,119	-	-	-	1,513,119	1,513,119
Street Lighting and Traffic Signals	4,551,146	-	-	-	4,551,146	4,540,900
Refuse Collection	-	-	1,972,359	-	1,972,359	2,151,756
Community Planning	-	-	446,231	-	446,231	243,718
Recreation, Parks and Cultural Services:						
Recreation Facilities	2,153,350	25,154,970	2,994,588	1,525,967	31,828,875	30,801,703
Parks, Sportsfields and Playgrounds	17,366,963	1,083,288	1,296,604	34,830,575	54,577,430	51,178,659
Green Belts and Open Space Areas	-	-	-	2,717,255	2,717,255	2,717,255
Branch Libraries	89,837	1,938,127	53,691	191,839	2,273,494	2,271,738
Equity in Central Library	-	922,437	-	407,150	1,329,587	1,329,587
Miscellaneous:						
Schools	-	178,398	-	13,865	192,263	192,263
Industrial Park	2,476,704	-	-	1,715,000	4,191,704	4,191,704
Other	-	1,213,059	-	763,265	1,976,324	1,976,324
	\$ 124,298,747	41,418,811	32,987,980	43,645,448	242,350,986	230,524,772

Note: The actual value of land reflected in the 2005 Completed Assessment Roll is approximately \$340,507,668. The declared value of buildings for insurance purposes is approximately \$103,951,150.

THE CORPORATION OF THE DISTRICT OF SAANICH

DEBT

SCHEDULE 2

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

	Amount of Issue			2004 Outstanding
	Authorized	Unissued and Unsold	2005 Outstanding	
Engineering and Public Works:				
Roads	\$ 2,351,287	\$ 1,363,000	\$ 988,287	\$ 1,354,122
Drains	274,303	-	274,303	301,521
Crosswalk (Short-Term)	54,800	-	54,800	164,600
Local Improvements	89,995	-	89,995	105,878
	<u>2,770,385</u>	<u>1,363,000</u>	<u>1,407,385</u>	<u>1,926,121</u>
Recreation, Parks and Cultural Services:				
Recreation Facilities	9,503,042	687,000	8,816,042	5,094,591
Parks and Trails	4,624,499	1,820,000	2,804,499	2,302,936
Library (Short-Term)	1,857,000	1,857,000	-	-
	<u>15,984,541</u>	<u>4,364,000</u>	<u>11,620,541</u>	<u>7,397,527</u>
Protective Services	1,049,504	175,000	874,504	917,000
Fuel Tank (Short-Term)	818,800	168,800	650,000	-
Accrued Actuarial Gain	(427,468)	-	(427,468)	(402,088)
General Capital Fund	<u>20,195,762</u>	<u>6,070,800</u>	<u>14,124,962</u>	<u>9,838,560</u>
General Operating Fund (ROBP)	1,435,571	-	1,435,571	1,468,571
Sewer Construction	7,364,624	2,000,000	5,364,624	5,937,709
Accrued Actuarial Gain	(72,271)	-	(72,271)	(62,087)
Sewer Enterprise Capital Fund	<u>7,292,353</u>	<u>2,000,000</u>	<u>5,292,353</u>	<u>5,875,622</u>
	<u>\$28,923,686</u>	<u>\$ 8,070,800</u>	<u>\$ 20,852,886</u>	<u>\$ 17,182,753</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL CAPITAL FUND EXPENDITURE FOR CAPITAL ASSETS

SCHEDULE 3

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

Functional Classification	2005					2004
	Engineering Structures	Buildings	Equipment	Land	Total	Total
General Government Services:						
Civic Offices	\$ -	101,012	564,994	-	666,006	1,086,692
Protective Services:						
Police Protection	-	224,310	404,768	-	629,078	603,214
Fire Protection	-	126,597	1,931,745	-	2,058,342	1,250,619
Emergency Program	-	-	43,491	-	43,491	-
	-	350,907	2,380,004	2,730,911	1,853,833	
Engineering, Parks and Public Works:						
Municipal Yard	60,788	89,868	38,400	-	189,056	388,957
Vehicles and Machinery	-	-	680,400	-	680,400	70,109
Roads and Culverts	2,926,488	-	-	-	2,926,488	1,358,813
Sidewalks	182,897	-	-	-	182,897	1,269,961
Drainage	951,204	-	-	-	951,204	1,088,108
Street Lighting and Traffic Signals	2,254	-	-	-	2,254	148,956
	4,123,631	89,868	718,800	-	4,932,299	4,324,904
Refuse Collection	-	-	44,137	-	44,137	60,280
Community Planning	-	-	27,526	-	27,526	13,681
Recreation, Parks and Cultural Services:						
Recreation Facilities	1,999,492	2,938,420	495,038	-	5,432,950	777,800
Parks, Sportsfields and Playgrounds	3,129,045	-	42,415	2,012,841	5,184,301	2,248,498
Libraries	-	247,178	-	-	247,178	30,294
Other	-	-	-	-	-	150,000
	5,128,537	3,185,598	537,453	2,012,841	10,864,429	3,206,592
	\$ 9,252,168	3,727,385	4,272,914	2,012,841	19,265,308	10,545,982

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND TAXES

SCHEDULE 4

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

	<i>Budget</i>	2005	2004
General Purpose:			
Property Tax	\$ 66,250,110	\$ 66,154,880	\$ 63,050,005
Utility 1% Tax	541,000	541,836	502,381
	<u>66,791,110</u>	<u>66,696,716</u>	<u>63,552,386</u>
Special Assessments:			
Local Improvement Frontage Tax - General	17,000	17,179	29,834
Cadboro Village Business Improvement	15,000	15,000	10,000
Local Improvement Frontage Tax - Water Supply System	5,300	5,310	8,404
Sewer Parcel Tax	1,452,000	1,473,223	1,450,091
	<u>1,489,300</u>	<u>1,510,712</u>	<u>1,498,329</u>
Hotel Room Tax:			
Tourism Victoria - Destination Marketing Commission	103,852	156,073	151,480
	<u>\$ 68,384,262</u>	<u>\$ 68,363,501</u>	<u>\$ 65,202,195</u>

SALES OF SERVICES

SCHEDULE 5

	<i>Budget</i>	2005	2004
Recreational:			
Cedar Hill Golf Course (Schedule 12)	\$ 2,015,720	\$ 1,972,686	\$ 2,099,020
Pearkes Community Recreation Centre (Schedule 13)	1,673,410	1,670,296	1,619,152
Gordon Head Community Recreation Centre (Schedule 14)	1,385,209	1,345,145	1,311,001
Cedar Hill Community Recreation Centre (Schedule 15)	858,850	961,537	905,370
Saanich Commonwealth Place (Schedule 16)	3,054,376	3,159,268	2,967,355
Community Recreation Program Fees	170,458	203,758	151,443
	<u>9,158,023</u>	<u>9,312,691</u>	<u>9,053,341</u>
Refuse Collection	3,554,584	3,591,045	3,461,173
Other	185,501	252,465	246,262
	<u>\$ 12,898,108</u>	<u>\$ 13,156,200</u>	<u>\$ 12,760,776</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND OTHER REVENUE FROM OWN SOURCES

SCHEDULE 6

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

	<i>Budget</i>	2005	2004
Licences, Permits and Fees:			
Professional and Business Licences	\$ 415,000	\$ 426,900	\$ 419,813
Delivery Vehicle Licences	27,000	26,656	26,094
Building and Other Permits and Fees	1,799,894	2,039,541	1,772,752
Dog Licences and Pound Fees	120,998	135,469	140,281
	<u>2,362,892</u>	<u>2,628,565</u>	<u>2,358,940</u>
Fines	18,762	14,500	12,498
Rentals:			
Equipment	618,625	859,850	680,999
Other	425,168	490,162	527,717
Interest Received	600,000	1,064,180	857,532
Penalties and Interest on Taxes	500,000	491,321	487,888
Other	259,762	279,339	820,611
	<u>\$ 4,785,209</u>	<u>\$ 5,827,916</u>	<u>\$ 5,746,185</u>

GENERAL GOVERNMENT SERVICES

SCHEDULE 7

	<i>Budget</i>	2005	2004
Municipal Council	\$ 295,653	\$ 274,680	\$ 285,456
Administrative and Corporate Services	5,422,357	5,002,841	4,861,241
Financial Management	1,195,842	1,171,828	1,174,101
Tax Billing and Collection	581,741	580,482	558,045
Civic Centre Maintenance	601,119	690,333	646,840
Insurance and Risk Management	1,784,922	1,509,756	830,333
Grants	726,580	745,500	543,170
Maintenance of Rented and Sundry Properties	201,229	220,431	166,105
Elections	92,735	66,083	-
Other	1,573,757	765,682	1,151,623
	<u>12,475,935</u>	<u>11,027,615</u>	<u>10,216,914</u>
Deduct Expenses Recovered	560,500	630,269	565,547
	<u>\$ 11,915,435</u>	<u>\$ 10,397,347</u>	<u>\$ 9,651,367</u>

Transfers to Capital Fund (Schedule 17)

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND PROTECTIVE SERVICES

SCHEDULE 8

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

	<i>Budget</i>	2005	2004
Police Protection	\$ 19,386,478	\$ 18,977,824	\$ 17,874,469
Fire Protection	9,852,840	9,914,749	9,370,431
Emergency Program	126,539	77,824	78,566
Other	244,592	252,544	227,763
Debt Interest Charges (Schedule 11)	50,370	45,605	8,393
	\$ 29,660,820	\$ 29,268,545	\$ 27,559,622

Transfers to Capital Fund (Schedule 17)

ENGINEERING AND PUBLIC WORKS

SCHEDULE 9

	<i>Budget</i>	2005	2004
Engineering Services	\$ 3,685,996	\$ 3,295,741	\$ 3,537,265
Public Works Administration	432,947	268,153	244,479
Roads Maintenance	3,544,823	3,525,756	3,415,646
Drainage Maintenance	1,234,871	1,178,688	1,056,786
Structures and Signs Maintenance	619,400	585,204	600,938
Street Lighting and Traffic Signals	1,101,876	1,110,707	1,052,205
Materials and Supplies Adjustment	-	4,529	(21,152)
Debt Interest Charges (Schedule 11)	362,610	365,690	381,208
	\$ 10,982,523	\$ 10,334,469	\$ 10,267,375

Transfers to Capital Fund (Schedule 17)

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND RECREATION, PARKS AND CULTURAL SERVICES

SCHEDULE 10

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

	<i>Budget</i>	2005	2004
Recreation:			
Administration	\$ 598,986	\$ 552,662	\$ 492,287
Recreation Facilities:			
Cedar Hill Golf Course (Schedule 12)	1,904,347	1,842,449	1,875,726
Pearkes Community Recreation Centre (Schedule 13)	2,445,342	2,524,246	2,410,075
Gordon Head Community Recreation Centre (Schedule 14)	2,510,172	2,453,979	2,398,032
Cedar Hill Community Recreation Centre (Schedule 15)	1,546,229	1,577,086	1,495,569
Saanich Commonwealth Place (Schedule 16)	5,030,931	5,248,787	4,955,934
Les Passmore Seniors' Centre	123,866	108,458	110,807
	<u>13,560,887</u>	<u>13,755,006</u>	<u>13,246,143</u>
Other Recreation Services	800,689	832,610	762,840
	<u>14,960,562</u>	<u>15,140,278</u>	<u>14,501,270</u>
Parks Operation	4,672,796	4,560,555	4,438,311
Cultural Services:			
Greater Victoria Public Library	3,742,482	3,741,337	3,186,821
Swan Lake Christmas Hill Nature Sanctuary	248,632	238,017	220,573
Celebrations and Special Events	102,567	62,643	50,558
Other	108,475	93,251	105,721
	<u>4,202,156</u>	<u>4,135,248</u>	<u>3,563,673</u>
Debt Interest Charges (Schedule 11)	1,849,520	1,284,059	1,420,279
	<u>\$ 25,685,034</u>	<u>\$ 25,120,141</u>	<u>\$ 23,923,533</u>

Transfers to Capital Fund (Schedule 17)

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND DEBT CHARGES

SCHEDULE 11

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

	2005			2004
	Interest	Principal Installments	Total	Total
Engineering and Public Works:				
Road	\$ 317,366	\$ 208,540	\$ 525,906	\$ 527,221
Drains	26,926	20,344	47,270	47,271
Crosswalk	3,873	109,800	113,673	116,764
Local Improvements	11,666	10,186	21,852	46,395
Other	5,860	-	5,860	-
	<u>365,690</u>	<u>348,870</u>	<u>714,560</u>	<u>737,652</u>
Recreation, Parks and Cultural Services:				
Recreation Facilities	892,153	579,279	1,471,432	1,448,358
Parks	391,906	290,334	682,240	958,732
Library	-	-	-	33,743
	<u>1,284,059</u>	<u>869,613</u>	<u>2,153,672</u>	<u>2,440,833</u>
Protective Services	45,605	42,496	88,101	8,393
Royal Oak Burial Park	82,365	33,000	115,365	113,794
Debt Charges Recovery	(82,365)	(33,000)	(115,365)	(113,794)
	<u>1,695,354</u>	<u>1,260,979</u>	<u>2,956,333</u>	<u>3,186,878</u>
Interest Allowed on Prepaid Taxes	35,704	-	35,704	35,564
	<u>\$ 1,731,058</u>	<u>\$ 1,260,979</u>	<u>2,992,037</u>	<u>3,222,441</u>
Other			143,645	65,472
			<u>\$ 3,135,682</u>	<u>\$ 3,287,913</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND

CEDAR HILL GOLF COURSE

Revenue and Expenditure

SCHEDULE 12

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

	<i>Budget</i>	2005	2004
Revenue:			
Building Rentals	\$ 3,720	\$ 5,190	\$ 3,801
Tournament Rentals	110,000	115,687	123,014
Green Fees	480,000	488,779	528,144
Season Tickets	470,000	450,060	466,699
Food and Beverage Sales	941,000	901,661	964,671
Merchandise Sales	11,000	11,310	12,691
	<u>2,015,720</u>	<u>1,972,686</u>	<u>2,099,020</u>
Operating Expenditure:			
Administration and Course Maintenance	728,137	719,921	709,072
Building Maintenance	180,947	177,968	179,392
Food and Beverage Operation	857,534	848,497	871,115
Professional Fees	74,580	65,402	74,818
Trail and Pond Maintenance	63,149	30,661	41,329
	<u>1,904,347</u>	<u>1,842,449</u>	<u>1,875,726</u>
Net Operating Revenue	111,373	130,237	223,294
Transfer from Prior Year Reserve	-	-	(60,000)
Transfers to Capital Fund (Schedule 17):			
Equipment	35,000	8,950	37,881
Building and Site Improvement	60,000	60,000	79,300
	<u>95,000</u>	<u>68,950</u>	<u>117,181</u>
Transfer to Current Year Reserve	76,373	121,003	245,307
Net Expenditure/(Revenue)	\$ 60,000	\$ 59,715	\$ 79,194

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND PEARKES COMMUNITY RECREATION CENTRE Revenue and Expenditure

SCHEDULE 13

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

	<i>Budget</i>	2005	2004
Revenue:			
Recreation Program Fees	\$ 517,090	\$ 491,256	\$ 439,173
Lawn Bowling Rentals	14,500	7,490	4,166
Tennis Rentals	13,000	-	15,102
Public Skating	59,000	75,813	67,849
Ice Rentals	545,000	546,636	549,218
Hockey	5,800	4,589	22,125
Skating Classes	201,000	215,136	198,964
Skate Shop	36,500	47,091	41,801
Building Rentals	28,000	31,141	44,550
Food and Beverage Sales	21,000	16,289	20,508
Other	232,520	234,854	215,696
	<u>1,673,410</u>	<u>1,670,296</u>	<u>1,619,152</u>
Operating Expenditure:			
Administration and Programming	1,482,075	1,532,344	1,423,297
Building Maintenance	929,737	958,645	955,211
Skate Shop	33,530	33,257	31,567
	<u>2,445,342</u>	<u>2,524,246</u>	<u>2,410,075</u>
Net Operating Expenditure	771,932	853,950	790,923
Transfer from Prior Year Reserve	-	-	(6,426)
Transfers to Capital Fund (Schedule 17):			
Equipment	13,000	13,735	1,004
Building Improvement	76,700	23,398	16,870
	<u>89,000</u>	<u>37,133</u>	<u>17,874</u>
Transfer to Current Year Reserve	14,700	14,700	-
Net Expenditure	\$ 875,632	\$ 905,783	\$ 802,371

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND

GORDON HEAD COMMUNITY RECREATION CENTRE

SCHEDULE 14

Revenue and Expenditure

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

	<i>Budget</i>	2005	2004
Revenue:			
Building Rentals	\$ 5,500	\$ 5,057	\$ 5,627
Fitness Studio	241,680	217,472	227,206
Public Swimming	400,230	375,590	382,793
Swimming Classes	205,000	198,211	191,560
Recreation Program Fees	373,000	396,141	345,410
Pool Rentals	10,000	14,064	12,490
Merchandise Sales	14,000	14,469	15,125
Food and Beverage Commissions	16,000	13,648	19,556
Rehabilitation Program Fees	52,689	58,644	49,875
Other	67,110	51,848	61,359
	<u>1,385,209</u>	<u>1,345,145</u>	<u>1,311,001</u>
Operating Expenditure:			
Administration and Programming	1,756,745	1,708,152	1,653,760
Building Maintenance	753,427	745,828	744,272
	<u>2,510,172</u>	<u>2,453,979</u>	<u>2,398,032</u>
Net Operating Expenditure	<u>1,124,963</u>	<u>1,108,835</u>	<u>1,087,031</u>
Transfers to Capital Fund (Schedule 17):			
Equipment	13,000	15,800	8,343
Building Improvement	-	-	13,707
	<u>13,000</u>	<u>15,800</u>	<u>22,050</u>
Net Expenditure	\$ <u>1,137,963</u>	\$ <u>1,124,634</u>	\$ <u>1,109,081</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND CEDAR HILL COMMUNITY RECREATION CENTRE Revenue and Expenditure

SCHEDULE 15

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

	<i>Budget</i>	2005	2004
Revenue:			
Rehabilitation Program Fees	\$ 38,000	\$ 55,139	\$ 44,931
Rentals and Admissions	152,000	161,882	161,822
Recreation Program Fees	337,600	392,117	362,299
Food and Beverage Sales	75,500	76,920	78,665
Indoor Tennis Complex	151,000	177,644	154,162
Squash Fees	29,500	32,499	26,883
Other	75,250	65,336	76,608
	<u>858,850</u>	<u>961,537</u>	<u>905,370</u>
Operating Expenditure:			
Administration and Programming	1,069,082	1,104,793	1,042,319
Building Maintenance	384,647	380,510	368,151
Food and Beverage Operation	92,500	91,783	85,099
	<u>1,546,229</u>	<u>1,577,086</u>	<u>1,495,569</u>
Net Operating Expenditure	<u>687,379</u>	<u>615,549</u>	<u>590,199</u>
Transfers to Capital Fund (Schedule 17):			
Equipment	13,000	46,860	3,464
Building Improvement	25,000	24,539	-
	<u>38,000</u>	<u>71,399</u>	<u>3,464</u>
Net Expenditure	<u>\$ 725,379</u>	<u>\$ 686,948</u>	<u>\$ 593,663</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND SAANICH COMMONWEALTH PLACE Revenue and Expenditure

SCHEDULE 16

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

	<i>Budget</i>	2005	2004
Revenue:			
Building Rentals	\$ 28,165	\$ 40,563	\$ 35,860
Pool Rentals	42,500	54,933	51,804
Public Swimming	698,000	804,819	719,169
Swimming Classes	322,000	335,544	332,713
Recreation Program Fees	289,500	328,475	348,995
Fitness Studio	345,750	210,828	216,480
Partner Programs	141,250	145,787	133,367
Food and Beverage Commissions	52,750	56,387	54,666
Merchandise Sales	130,000	128,163	131,879
Locker Rentals	52,500	53,843	56,205
Special Events Programs	838,600	880,741	801,026
Rehabilitation Program Fees	51,000	52,158	43,782
Other	62,361	67,029	41,409
	<u>3,054,376</u>	<u>3,159,268</u>	<u>2,967,355</u>
Operating Expenditure:			
Administration and Programming	3,353,805	3,536,052	3,394,947
Building Maintenance	1,677,126	1,712,736	1,560,987
	<u>5,030,931</u>	<u>5,248,787</u>	<u>4,955,934</u>
Deduct Transfer for High Performance Area			
Building Maintenance from:			
Commonwealth Pool Operating Reserve Fund	330,000	330,000	330,000
Commonwealth Pool High Performance Repair and Replacement Reserve Fund	45,000	45,000	45,000
	<u>4,655,931</u>	<u>4,873,787</u>	<u>4,580,934</u>
Net Operating Expenditure	<u>1,601,555</u>	<u>1,714,519</u>	<u>1,613,579</u>
Transfer from Prior Year Reserve	(418,422)	(418,422)	-
Transfers to Capital Fund (Schedule 17):			
Equipment	159,000	13,814	36,792
Building Improvement	494,572	337,233	100,000
	<u>653,572</u>	<u>351,047</u>	<u>136,792</u>
Transfer to Current Year Reserve	60,000	80,244	81,400
Net Expenditure	<u>\$ 1,896,705</u>	<u>\$ 1,727,389</u>	<u>\$ 1,831,771</u>

THE CORPORATION OF THE DISTRICT OF SAANICH

GENERAL OPERATING FUND TRANSFERS TO GENERAL CAPITAL FUND

SCHEDULE 17

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

	<i>Budget</i>	2005	2004
General Government Services:			
Civic Offices	\$ 868,938	\$ 663,085	\$ 558,154
Protective Services:			
Police Protection	705,274	542,608	604,368
Fire Protection	661,173	504,634	220,502
Emergency Program	95,029	41,984	42,595
	<u>1,461,476</u>	<u>1,089,226</u>	<u>867,465</u>
Engineering and Public Works:			
Municipal Yard	457,045	478,886	16,056
Roads	1,798,300	1,810,370	1,661,620
Drainage	716,646	712,802	734,779
Street Lighting and Traffic Signals	115,660	111,286	85,050
	<u>3,087,651</u>	<u>3,113,344</u>	<u>2,497,505</u>
Refuse Collection	4,440	-	235
Community Planning	6,580	27,526	13,681
Recreation, Parks and Cultural Services:			
Recreation Facilities:			
Cedar Hill Golf Course	95,000	68,950	117,181
Pearkes Community Recreation Centre	89,700	37,133	17,874
Gordon Head Community Recreation Centre	13,000	15,800	22,050
Cedar Hill Community Recreation Centre	38,000	71,399	3,464
Saanich Commonwealth Place	653,572	351,047	136,792
Other	203,972	109,680	188,360
	<u>1,093,244</u>	<u>654,009</u>	<u>485,721</u>
Branch Libraries	12,180	3,341	8,293
Parks, Sportsfields and Playgrounds	598,200	530,215	859,503
	<u>610,380</u>	<u>533,556</u>	<u>867,796</u>
	<u>\$ 7,132,709</u>	<u>\$ 6,080,747</u>	<u>\$ 5,290,557</u>

Note: Transfers to the General Capital Fund are for the acquisition of capital assets and are in addition to amounts reported under other expenditure captions in the General Operating Fund.