

District of North Saanich

ANNUAL REPORT

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INTRODUCTION

It is my pleasure to present the District of North Saanich first annual report as required by Section 98 of the *Community Charter*. The annual report must be presented to Council by June 30 in each year at a council or other public meeting for the purpose of presenting the following:

- the audited financial statements of the preceding year,
- a listing of tax exemption provided by Council in 2003;
- any declarations of disqualifications made under Section 111 of Community Charter (application to court for declaration of disqualification) in the previous year, including identification of the Council member or former Council member involved and the nature of the disqualification;
- and a statement of municipal objectives for the next year.

A copy of the financial statements and reports must be made available for public inspection during regular business hours at least two weeks before being considered by Council. The following report meets the Community Charter annual reporting requirements for 2004.

Respectfully submitted,
Ralph Gillis
Treasurer

2003 Audited Financial Statements

The District's Financial Statements are presented on a consolidated accrual basis. This means that revenue is recorded in the period in which the transactions or events occurred. The audit field work was completed in March 2004 and the financial statements were finalized, printed and submitted to the Ministry of Community, Aboriginal, and Women's Services, as required under the *Community Charter* before the May 15, 2004 deadline.

The auditors have written in their report that the Districts' financial statements, "present fairly, in all material respects, the financial position of the District as at December 31, 2003, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles".

In their report KPMG has made several observations and recommendations that staff either have already, or will be acting on, regarding review and tightening up of internal controls.

Public Sector Accounting and Auditing Board (PSAAB) standards and reporting requirements are continuing to evolve. In their report, KPMG indicates that it will be a mandatory PSAAB requirement to base the funding for employee's post employment benefit obligations on an actuarial analysis commencing in 2004. This will involve a considerable effort to complete the necessary calculations should this project be undertaken with the limited available staff.

A copy of the Districts' 2003 Audited Financial Statements is attached as appendix A.

2003 Property Tax Exemptions

Council has granted permissive tax exemptions to properties owned by churches, several non-profit organizations and other municipalities. Some of the exemptions have been with the assent of the electorate and are for a period of 10 years. Others are reviewed annually by Council and provide an exemption for that year.

Following is a list of the properties that received tax exemptions for 2003.

Organization	Bylaw	Term	Expires
Memorial Parks Society	879	10 yrs	2008
BC Aviation Museum	921	10 yrs	2010
Sea Cadets & Navy League	926	10 yrs	2010
Air Cadets	927	10 yrs	2010
St. John's United Church	1011	1 yr	2003
Holy Trinity Anglican Church	1011	1 yr	2003
Sidney Pentecostal Church	1011	1 yr	2003
Saanich Peninsula			
Presbyterian Church	1011	1 yr	2003
Seventh Day Adventist Church	1011	1 yr	2003
Kiwanis Elderly Citizens Village	1011	1 yr	2003
Town of Sidney	1011	1 yr	2003

The Tax Exemption Bylaws are attached as appendix B.

Declaration of Disqualification of Council members

There were no Council disqualifications in 2003.

Statement of Municipal Objectives

During the 5 Year Financial Plan review, Council authorized staff to obtain the services of a consultant to assist in the implementation of a Strategic Plan and Business Plan for the District. These plans are in the initial stages of development and will assist Council and staff in establishing goals and objectives as well as performance measures for the 2005 budget process.

Appendix C contains the Municipal Objectives of the District for the years 2004 and 2005.

2003 Council Remuneration & Expense Report

Following is a schedule reporting Council remuneration and expenses for 2003 in accordance with Section 168 (1) (a) & (b) of the Community Charter:

COUNCIL MEMBER	REMUNERATION	EXPENSES
Bird, B. (Councillor)	\$8,377.08	\$1,237.47
Daly, T. (Mayor)	17,453.52	1,398.10
Goulet, H. (Councillor)	8,377.08	427.00
Hartshorne, D. (Councillor)	8,377.08	842.58
Scoones, A. (Councillor)	8,377.08	205.00
Thomas, K. (Councillor)	8,377.08	--
Utley, A. (Councillor)	8,377.08	205.00

Insurance Policy (Section 168 (1)(c) of the Community Charter)

Personal Accident Insurance - coverage for Mayor and Councillors while on District business

Principal Sum - \$25,000/Weekly Indemnity - \$100. Aggregate Limit - \$175,000

Disclosure of contracts with Council members (Section 168 (1)(d) of the Community Charter)

There were no disclosure of contracts with Council for 2003 as the requirement to do this came into effect in 2004.