



# DISTRICT OF HIGHLANDS 2010 ANNUAL REPORT

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The Highlands is a primarily residential community, rural in nature, and blessed with an exceptional abundance of scenic beauty, native plant and animal life, and public parkland. Those of us who live here place high value on the natural environment and our rural lifestyle. Highlanders are actively involved in the community, which fosters a spirit that is both self-reliant and cooperative.

A stunningly beautiful rural residential area, the Highlands is just northwest of Victoria British Columbia Canada. More than one-third of the Highlands is protected as municipal, regional, and provincial parkland. Highlanders take great pride in the stewardship of our environment by ensuring that new developments include conservation covenants limiting human encroachment. We're proud of our volunteers and community involvement.

#### Figure 4<sup>1</sup> Selected Demographic Variables, Canada Census

Highlands Population in 2006......1,903 Highlands Population in 1996......1,674 Highlands Total Dwellings 2001.....705 

 CRD Population in 2001
 345,164

 CRD Population in 1996
 325,754

 CRD Total Dwellings 2001
 152,480

Census variables, 2001 <sup>2</sup>	Highlands	Capital Region
Lived at same address 5 years in 1996	61%	53%
Median age of residents	42.6	43.6
Age 19 or younger	24%	20%
Canadian-born	91%	80%
Households containing a couple with children at home	39%	22%
Visible minority residents	2%	9%
Median (couple) family income	\$75,821	\$63,729
Worked at home	11%	10%
Owned dwellings	89%	64%
Dwellings built before 1991	67%	86%

#### 2. LONG TERM VISION STATEMENT<sup>2</sup>

Residents have been clear about what is important to them and there are a number of common perspectives. The following VISION STATEMENT captures shared sentiments and sets a direction for the future.

The Highlands is a primarily residential community, rural in nature, and blessed with an exceptional abundance of scenic beauty, native plant and animal life, and public parkland. Those of us ho live here place high value on the natural environment and our rural lifestyle. Highlanders are actively involved in the community, which fosters a spirit that is both self-reliant and cooperative

The Highlands will strive to diversify its economy while preserving our natural systems, including the aquifers on which we depend so heavily. Land use decisions will be guided by a community plan, with the ongoing involvement of residents.

As stewards of our unique natural environment, we will protect its integrity. We will retain sufficient lands in their natural state to permit a diversity of plant and animal life to flourish and to ensure that the rural lifestyle we enjoy today can be experienced by future generations. We believe in the value of open and green space, trail systems, and outdoor recreational opportunities, both to enhance life in the Highlands and to contribute to the well-being of southern Vancouver Island as a whole.

We will provide for an adequate tax base, including light industrial, related commercial and nature-related recreational uses in some areas of the Highlands, in order to support basic, affordable municipal services and facilities. We will encourage alternative transportation choices, housing choices, and a community hall.

New development in the Highlands will be in keeping with the rural character of the community and carefully designed to protect sensitive environmental conditions. The pace of change should be gradual and the type of development should leave a small footprint on the land.

In order to move toward a future that is consistent with the VISION STATEMENT, the District of Highlands will strive to attain the following six goals:

Goal 1

To protect the natural environment.

Goal 2

To retain and strengthen the rural character of the Highlands.

Goal 3

To support economic diversification that is consistent with Highlands' rural character and the natural environment.

Goal 4

To ensure the long-term economic sustainability of the Highlands' community.

Goal 5

To provide basic, affordable public services and facilities.

Goal 6

To encourage involvement in a healthy rural community, including all planning decisions.

# 3. DISTRICT COUNCIL

The current Mayor and Council were elected at the general election in November 2008. The Council assignments for 2010 were as follows:

#### Mayor Jane Mendum



Mayor Mendum is in her first term as Mayor and previously served three terms as Councillor. In 2010 Mayor Mendum served as a Director on the Capital Regional District Board, Hospital Board, and as a Commissioner on both the Regional Water Supply and Juan de Fuca Water Distribution Commission. Mayor Mendum also served on both the Capital Regional District Environmental Sustainability, and Planning, Transportation and Protective Services Committees, is Chairs of the region's Solid Waste Advisory Committee and is Ex-Officio to all Council committees.

#### Councillor Allen Dobb



Councillor Dobb is in his first term as a Councillor. In 2010 Councillor Dobb served as the Council's representative to the Capital Regional District Arts Committee, Council Liaison to the Highlands Heritage Task Force and the District of Highlands Sustainability Strategy Advisory Committee. Councillor Dobb was also the Alternate Council representative on the Treaty Advisory Committee, the region's Solid Waste Advisory Committee and the Alternate Council Liaison on the District of Highlands Community Infrastructure and Services Committee.

#### Councillor Diane Gill



Councillor Gill is in her first term as a Councillor. In 2010 Councillor Gill served as the Council Liaison on the District of Highlands Community **Infrastructure and Services and Council representative on the region's Solid** Waste Advisory Committee. Councillor Gill was also the Alternate to the District of Highlands Emergency Planning Committee.

# Councillor Sigurd Johannesen



Councillor Johannesen is in his first term as Councillor. In 2010 Councillor Johannesen served as the Council representative on the District of Highlands Emergency Planning Committee, the Greater Victoria Family Court Committee and the Western Communities Policing Advisory Committee, Council Liaison on the Community Centre Task Force. Councillor Johannesen was also the Alternate Council representative on the Capital Region Emergency Services Telecommunications (CREST).

#### DISTRICT COUNCIL continued

#### Councillor Marcie McLean



Councillor McLean is in her first term as a Councillor. In 2010 Councillor McLean served as the Council Liaison to the District of Highlands Fiscal and Environmental Committee, Council representative to the Intermunicipal Advisory Committee on Disability Issues. Councillor McLean was also the Alternate Council representative on the Greater Victoria Family Court Committee and Western Communities Policing Advisory Committee.

#### Councillor Karel Roessingh



Councillor Roessingh is in his second term as a Councillor. Councillor Roessingh had also previously served the District as Mayor for two terms. In 2010 Councillor Roessingh served as the Council Liaison to the District of Highlands Advisory Planning Commission, Council representative on the Greater Victoria Public Library Board (Vice-Chair), Ground Water Task Force and Capital Region Emergency Service Tele-communications (CREST) (Chair of the CREST Finance Committee). Councillor Roessingh also served as the Alternate Commissioner on the Regional Water Supply Commission and Alternate Director on the Capital Regional District Hospital Board.

#### Councillor Ken Williams



Councillor Williams is in his second term as a Councillor. In 2010 Councillor Williams served as Director on the West Shore Parks and Recreation Society (WSPRS). As a Director on WSPRS, Councillor Williams was also on the WSPRS Finance Committee, the Capital Planning Sub-Committee and the Velodrome Sub-Committee. Councillor Williams was also the District's representative on the Treaty Advisory Committee. Councillor Williams serves as Alternate Council Liaison to the District of Highlands Community Centre Task Force, Advisory Planning Commission, Fiscal and Environmental Select Committee, Sustainability Strategy Advisory Committee, Alternate Council representative on the Intermunicipal Advisory Committee of Disability Issues, and the Alternate Commissionaire on the Juan de Fuca Water Distribution Commission

# THANK YOU

The District would like to thank Rick and Janet Hughes, Rob Jirucha, Allen Dobb and Chris Leek for permitting the district to use their photography in the publication of the District of Highlands

#### 5. FINANCIAL MANAGEMENT REPORT 2008

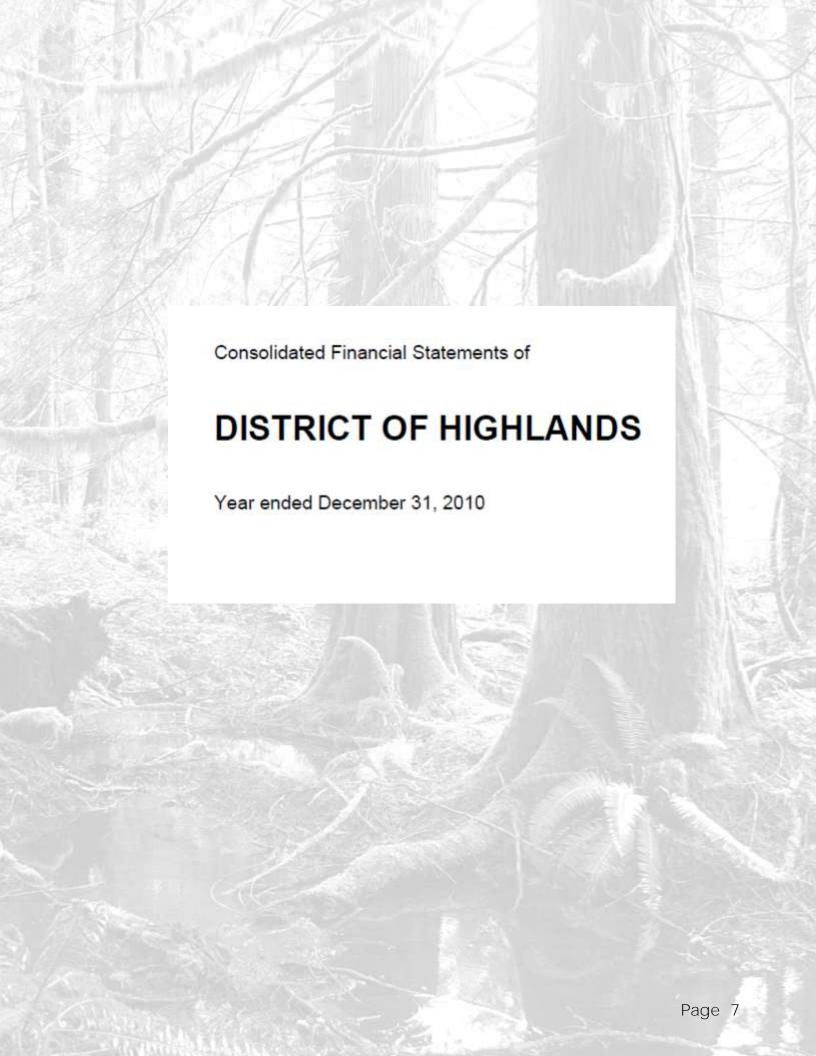
The Audited Financial Statements contained in this Statement of Financial Information under the Financial Information Act have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements 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. These systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the District's assets are properly accounted for and adequately safeguarded.

The District's auditors, KPMG LLP, 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 District's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The auditors have full and free access to the Council and meet on an annual basis.

On behalf of the District of Highlands

C.D. Coates, Chief Financial Officer June 1, 2011



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

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

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

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

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

Chief Administrative Officer - Treasurer



KPMG LLP Chartered Accountants

St. Andrew's Square II 800-730 View Street Victoria BC V8W 3Y7 Canada Telephone (250) 480-3500 Fax (250) 480-3539 Internet www.kpmg.ca

#### INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors of The District of Highlands

We have audited the accompanying consolidated financial statements of The District of Highlands, which comprise the consolidated statement of financial position as at December 31, 2010, the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsbility for the Consolidated Financial Statements

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

#### Auditors' Responsibility

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

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

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

#### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The District of Highlands as at December 31, 2010, and its consolidated results of operations and its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Accountants

KPMG LLP

May 9, 2011 Victoria, Canada

Consolidated Statement of Financial Position

December 31, 2010, with comparative figures for 2009

	2	010	2009
Financial assets:			
Cash and cash equivalents	\$ 2,376,4	47 \$	2,022,149
Accounts receivable	304,0	72	235,443
Taxes receivable	103,0	62	122,267
Other assets	7,3	350	11,135
J	2,790,9	31	2,390,994
Financial liabilities:			
Accounts payable and accrued liabilities	429,4	41	313,252
	18,5	90	18,500
	266,3		232,117
	22,1		38,402
Cash and cash equivalents Accounts receivable Taxes receivable Other assets  Financial liabilities: Accounts payable and accrued liabilities Security deposits Deferred revenue (note 2) Obligation under capital lease (note 3) Long-term debt (note 3)  Net financial assets  Non-financial assets: Tangible capital assets (note 5) Prepaid expenses	472,0	112	487,695
25	1,208,5	77	1,089,966
Net financial assets	1,582,3	354	1,301,028
Non-financial assets:			
Tangible capital assets (note 5)	38,292,6	85	38,965,723
		750	7
Accumulated surplus (note 6)	\$ 39,883,7	789 \$	40,266,751

Commitments and contingencies (note 11)

Consolidated Statement of Operations

Year ended December 31, 2010, with comparative figures for 2009

	Budget	2010	2009
	(unaudited - note 12)		
Revenue:			
Taxation, net (note 7) Government transfers (note 8)	\$ 1,313,475 547,001	\$ 1,302,631 231,207	\$ 1,257,451 787,174
Sale of services Licenses, permits and other	211,028 77,700	197,749 117,282	204,132 92,407
Investment income Donations and amenities Other	5,000	8,154 135,338	7,132 147,074
Actuarial adjustment on debt	172,071	121,134 12,718	120,772 14,864
Total revenue	2,326,275	2,126,213	2,631,006
Expenses:			
General government services	713,425	569,616	527,262
Protective services	357,850	393,227	391,377
Transportation services	1,105,065	836,176	1,085,680
Environmental development services	204,850	152,266	198,255
Recreation and cultural services	593,338	557,890	553,457
	2,974,528	2,509,175	2,756,031
Annual deficit	(648,253)	(382,962)	(125,025
Accumulated surplus, beginning of year	40,266,751	40,266,751	40,391,776
Accumulated surplus, end of year	\$ 39,618,498	\$ 39,883,789	\$ 40,266,751

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2010, with comparative figures for 2009

		Budget	2010	2009
		(unaudited - note 12)		
Annual deficit	\$	(648,253)	\$ (382,962) \$	(125,025
Acquisition of tangible capital assets Amortization of tangible capital assets Loss on disposal of tangible capital assets		(267,900)	(186,346) 826,269 21,223	(161,164 1,024,963
Proceeds on disposal of tangible capital assets Change in proportionate share of West Shore		5.	11,892	(1,156 31,773
		(267,900)	673,038	894,416
Acquisition of prepaid expenses		2	(8,750)	
Change in net financial assets		(916,153)	281,326	769,391
Net financial assets, beginning of year		1,301,028	1,301,028	531,637
Net financial assets, end of year	\$	384,875	\$ 1,582,354 \$	1,301,028

Consolidated Statement of Cash Flows

Year ended December 31, 2010, with comparative figures for 2009

	2010		2009
Cash provided by (used in):			
odsh provided by (dised in).			
Operating activities:			
Annual deficit	\$ (382,962)	\$	(125,025
Items not involving cash:			
Amortization of tangible capital assets	826,269		1,024,963
Loss on disposal of tangible capital assets	21,223		-
Change in proportionate share of West Shore	11,892		31,773
Actuarial adjustment on debt	(12,718)		(14,864
Change in non-cash operating assets and liabilities:			
Accounts receivable	(68,629)		14,020
Taxes receivable	19,205		95,965
Other financial assets	3,785		(11,135
Accounts payable and accrued liabilities	116,189		(90,321
Security deposits	90		450
Deferred revenue	34,236		77,335
Prepaid expenses	(8,750)		-
	559,830		1,003,161
Capital activities:			
Acquisition of tangible capital assets	(186,346)		(161,164
Proceeds on disposal of tangible capital assets	2011		(1,156
	(186,346)		(162,320
Financing activities:			
Debt issued	23,178		ц
Capital lease payments	(16,221)		(13,253
Debt repaid	(26,143)		(25,379
) <del></del>	(19,186)		(38,632
Increase in cash and cash equivalents	354,298		802,209
Cash and cash equivalents, beginning of year	2,022,149		1,219,940
Cash and cash equivalents, end of year	\$ 2,376,447	\$	2,022,149
Cumplemental and flourinformation:		11147	9.4
Supplemental cash flow information:			
Cash paid for interest  Cash received from interest	\$ 35,510 9,160	\$	35,971 7,861

Notes to Consolidated Financial Statements

Year ended December 31, 2010

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

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

#### 1. Significant accounting policies:

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

#### (a) Reporting entity:

The consolidated financial statements reflect the combination of all the assets, liabilities, revenues, expenses, and changes in fund balances and in financial position of the District. The consolidated financial statements of the District also includes the District's proportionate interest in West Shore Parks and Recreation Society ("West Shore"), an organization jointly controlled by the District.

#### (b) Basis of accounting:

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

#### (c) Government transfers:

Government transfers are recognized in the 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. Transfers received for which expenses are not yet incurred are included in deferred revenue.

#### (d) Deferred revenue:

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

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### Significant accounting policies (continued):

(d) Deferred revenue (continued):

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

(e) Investment income:

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

(f) Cash and cash equivalents:

Cash and cash equivalents include investments in the Municipal Finance Authority of British Columbia ("MFA") Bond, Intermediate and Money Market Funds which are recorded at cost plus earnings reinvested in the funds.

(g) Long-term debt:

Long-term debt is recorded net of related sinking fund balances.

(h) 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 obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### Significant accounting policies (continued):

#### (i) Non-financial assets:

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

#### (i) Tangible capital assets

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

Useful life - years
15 - 40
25 - 40
5 - 25
20 - 60

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

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

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

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

#### (iii) Natural resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### Significant accounting policies (continued):

- (i) Non-financial assets (continued):
  - (iv) Works of art and cultural and historic assets

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

(v) Interest capitalization

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

(vi) Leased tangible capital assets

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

(j) Use of estimates:

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

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### Deferred revenue:

Deferred revenue, reported on the statement of financial position, is comprised of the following:

	2010	2009
Gas Tax Agreement Funds Casino revenues Prepaid taxes and other	\$ 239,819 10,888 15,646	\$ 183,329 11,879 36,909
Total deferred revenue	\$ 266,353	\$ 232,117

#### Gas Tax Agreement Funds

	2010	2009
Opening balance of unspent funds	183,329	96,614
Add:		
Amounts received during the year	101,148	101,944
Interest income restricted for projects	1,006	729
	285,483	199,287
Less amount spent on projects and recorded as revenue	(45,664)	(15,958)
	\$ 239,819 \$	183,329

#### 3. Long-term debt:

- (a) Included in long-term debt is the District's proportionate share of a West Shore five year fixed rate term loan for \$23,178 (2009 - nil).
- (b) The District issues debt instruments through the MFA, pursuant to security issuing bylaws under authority of the Community Charter, to finance certain capital expenditures. Sinking fund balances, managed by the MFA are used to reduce long-term debt. Gross amount of debt and the amount of the sinking fund assets available to retire the debt are as follows:

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### 3. Long-term debt (continued):

MFA issue #	Bylaw #	Purpose	Maturity date	Original issued amount	co	nking fund ntributions d deposits	Interest rate	Balance 2010	Balance 2009
61	32	Fire truck	2013	\$125,000	\$	125,000	4.00%		\$ 11,003
61	33	Fire truck	2011	50,000		50,000	4.00%		4,401
186	81	West Shore							
		arena	2022	571,021		122,187	4.86%	448,834	472,291
								448,834	487,695
West She	ore term	loan						23,178	
								\$472,012	\$487,695

#### (c) Principal payments on long-term debt for the next five years are as follows:

×.	Tota
2011	\$ 17,269
2012	17,269
2013	17,269
2014	17,269
2015	17,269
Thereafter	385,667

#### (d) Interest expense:

Total interest expense during the year was \$35,375 (2009 - \$35,347). West Shore arena interest on debt is reduced by a subsidy from the Cities of Langford and Colwood.

#### 4. Obligation under capital lease:

Present value of net minimum capital lease payments	\$	22,181
Less amount representing interest (at rates ranging from 2.81% to 3.75%)		2,547
Local amount representing interest (at rates repaire from 2.019)		24,728
2013		2,406
2012		9,459
2011	S	12,863
Year ending December 31:		

# DISTRICT OF HIGHLANDS Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

# Tangible capital assets:

		Park		Vehicles and	Engineering	Assets under	Total	Total
	Land i	Land improvements	Buildings	equipment	structures	construction	2010	2009
Cost:								į.
Balance, beginning of year	\$7,618,141	357,214	1,932,756	1,828,131	36,094,504	4,778	\$47,835,524	\$47,715,766
Additions	r.	8	94,481	39,086	37,097	8,568	179,232	161,164
Disposals	1	(3)		(14,664)	(27,461)	(4,778)	(46,903)	(41,406)
Balance, end of year	7,618,141	357,214	2,027,237	1,852,553	36,104,140	8,568	47,967,853	47,835,524
Accumulated amortization:								
Balance, beginning of year	E)	58,186	441,223	720,968	7,649,424	80	8,869,801	7,855,627
Disposals	9			(14,538)	(6,364)	39	(20,902)	(10,789)
Amortization	ī	4,310	43,302	91,661	686,996	3	826,269	1,024,963
Balance, end of year	į.	62,496	484,525	798,091	8,330,056	\$20	9,675,168	8,869,801
Net book value, end of year	\$7,618,141	294,718	1,542,712	1,054,462	27,774,084	8,568	8,568 \$38,292,685 \$38,965,723	\$38,965,723

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### 5. Tangible capital assets (continued):

(a) Assets under construction:

Assets under construction totaling \$8,568 (2009 - \$4,778) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets:

There were no contributed assets recognized during the year.

(c) Tangible capital assets disclosed at nominal values:

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

(d) Works of art and historical treasures:

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

(e) Write-down of tangible capital assets:

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

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### 6. Accumulated surplus:

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

·	2010	2009
Surplus:		
Equity in tangible capital assets	\$ 37,798,492	\$ 38,439,626
Other	882,138	908,038
West Shore	(23,738)	ACCOMPANY OF THE PARTY OF THE P
Total surplus	38,656,892	39,347,664
Reserve funds set aside for specific purposes by Council:		
Fire capital works and equipment	756,938	513,855
Park acquisition/development	8,409	8,371
Roads reserve	381,225	315,334
General reserve for future expenditures	32,604	32,555
West Shore reserves	47,721	48,972
Total reserve funds	1,226,897	919,087

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### 7. Taxation:

Taxation revenue, reported on the consolidated statement of operations, is comprised of the following:

		2010	2009
Municipal purposes			
General	\$	3,005,689	\$ 2,837,257
1% utility taxes	***	22,677	 21,492
		3,028,366	2,858,749
Less taxes levied for other authorities:			
School authorities		1,159,620	1,117,207
Police tax		108,875	95,563
Capital Regional District		157,871	140,983
Capital Regional Hospital District		160,050	121,809
BC Assessment Authority		36,839	34,260
BC Transit		102,371	91,371
Municipal Finance Authority		109	105
C. December 2 to the control of the		1,725,735	1,601,298
	\$	1,302,631	\$ 1,257,451

#### 8. Government transfers:

The District recognizes the transfer of government funding as expenses or revenues in the period that the events giving rise to the transfer occurred. The Government transfers reported on the consolidated statement of operations and accumulated surplus are:

**************************************	2010	2009
Provincial government		
Small communities and equalization payments	\$ 99,007	\$ 623,547
Gas tax	45,664	15,958
Other	59,195	54,317
2a -	203,866	693,822
Capital transfers:		
Other	27,341	93,352
Total revenue	\$ 231,207	\$ 787,174

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### 9. Classification of expenditure by object:

	2010	2009
Contracted and general services	\$ 624,366	\$ 713,579
Wages and employee benefits	614,859	526,961
Materials, supplies and utilities	336,508	343,069
Council expenses	59,906	65,221
Grants	14,919	15,117
Interest	35,375	35,348
Amortization	826,269	1,024,963
Change in proportionate share of West Shore	11,892	31,773
Total expenditure by object	\$ 2,509,175	\$ 2,756,031

#### 10. Pension plan:

The District and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusteed pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the 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 163,000 active members and approximately 60,000 retired members. Active members include approximately 53,000 contributors from local government.

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, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012, with results available in 2013. The actuary does not attribute portions of the surplus to individual employers. The District paid \$27,029 (2009 - \$26,201) for employer contributions and District employees paid \$29,759 (2009 - \$29,279) for employee contributions to the plan in fiscal 2010.

#### 11. Commitments and contingencies:

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

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

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

- (b) The District is a shareholder and member of the Capital Region Emergency Service Telecommunications (CREST) Incorporated which 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.
- (c) Under borrowing arrangements with the MFA, the District is required to lodge security by means of demand notes and interest-bearing cash deposits based on the amount of the borrowing. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are included in the District's financial assets as restricted receivables and are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the District. At December 31, 2010 there were contingent demand notes of \$16,800 (2009 - \$26,105) which are not included in the financial statements of the District.

#### 12. Budget data:

The unaudited budget data presented in these consolidated financial statements is based upon the 2010 operating and capital budgets approved by Council on May 3, 2010, adjusted to reflect West Shore proportionately consolidated budgeted revenues and expenses. The chart below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget amount
Revenues:	
Operating budget	\$ 2,081,211
West Shore	245,064
Total revenue	2,326,275
Expenses:	
Operating budget	2,665,619
West Shore	308,909
Total expenses	2,974,528
Annual surplus (deficit)	\$ (648,253

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### 13. West Shore Parks and Recreation Society:

#### (a) Capital asset transfer:

The CRD transferred the lands and facilities comprising the Juan de Fuca Recreation Centre to the following municipal partners (the "Municipalities") effective January 2, 2002: City of Langford, City of Colwood, District of Highlands, District of Metchosin and the CRD (on behalf of a portion of the Juan de Fuca Electoral Area). Effective January 1, 2007 the Town of View Royal became a member of the Society.

The lands and facilities were transferred to the Municipalities in their proportionate share, as specified in the Co-Owners' Agreement. Future improvements are allocated among the partners as per the cost sharing formula in effect each year for each service or facility, as outlined in a Members' Agreement. For 2010, the District's share of improvements purchased by the Society on its behalf is \$179,232 (2009 - \$13,125).

Because the cost sharing formula in the Members' Agreement produces different cost shares for the members from year-to-year, there is a gain or loss on the opening fund balances. In 2010, the District recorded a loss of \$11,892 (2009 - \$31,957).

The repayment of the long-term debt associated with the transferred assets will continue to be a regional function, in accordance with the terms of an Agreement to Transfer between the CRD, the Municipalities and the Society. The debt payments are charged to the Municipalities as part of the CRD's annual requisition. The maturity dates of the various borrowings range from 2012 through 2014.

The participating Municipalities have each become members in the Society, which was incorporated to provide parks, recreation and community services to the Municipalities under contract. Under terms of an Operating, Maintenance and Management Agreement, the Society is responsible to equip, maintain, manage and operate the facilities located at the recreation centre.

#### (b) Consolidation:

Financial results and budget for the Society are consolidated into the District's financial statements proportionately, based on the cost sharing formula outlined in the Members' Agreement. In 2010, the District's proportion for consolidation purposes was 3.863% (2009 - 3.887%). Condensed financial information for the Society is as follows:

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2010

#### 13. West Shore Parks and Recreation Society (continued):

#### (b) Consolidation (continued):

	2010	2009
Financial assets Financial liabilities	\$ 2,809,521 2,205,113	\$ 3,085,770 1,841,117
Net financial assets Non-financial assets	604,408 795,491	1,244,653 758,343
Accumulated surplus	\$ 1,399,899	\$ 2,002,996
Revenues Requisition for members	\$ 7,051,888 4,163,307	\$ 5,501,066 3,647,206
Expenses Requisition for members	7,654,985 4,163,307	9,148,272 5,623,643 3,647,206
	11,818,292	9,270,849
Annual deficit	\$ (603,097)	\$ (122,577)

#### 14. Comparative figures:

Certain 2009 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

#### 6. SERVICES AND OPERATIONS

#### FIRE PROTECTION

The District has a Fire Specified Area that now covers most of the municipality and the service is paid for by a *separate* property tax levy. There are a number of large undeveloped provincial and regional park lands that are outside of the fire protection area, as well as a few large vacant privately owned parcels of land. There are only a couple of occupied properties not in the fire protection area. Our fire department is a volunteer department with about 25 members. The Fire Chief and Deputy Chief were each provided with an annual stipend of \$11,000 and \$5,500 respectively. Individual fire-fighters received small stipends of \$5.00 per practice or call-out for their invaluable service to the community. In addition Officers received small stipends to recognize their specific contributions resulting form the positions held. The District has two fire halls and six fire vehicles (two main pumpers, two mini pumpers, one tanker and one pickup).

COUNCIL appointed former Deputy Fire Chief Guy Brisebois as Fire Chief, and Peter Schuttinga as Deputy Fire Chief. Both of these outstanding officers have demonstrated significant capabilities during past years.

#### 2010 - A Year in Reflection by Fire Chief Guy Brisebois

The greatest of achievements in 2010 was surely recruiting! In 2010, we saw a 100% increase, going from 14 members to 28. This gives the Fire Department 9 members over the minimal requirement for firefighting.

2010 was the fire department busiest year on record, with a 15% increase in calls overall. With increased population, emergency calls are changing drastically. Certain medical related statistics has increase by 400%, as have fire related incidents.

The numbers for motor vehicle incidents and first responder calls have decreased marginally, rescue calls have remained steady.

Calls related to power lines and downed trees have decreased by approximately 50%.

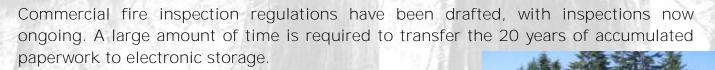




#### FIRE PROTECTION - 2010 - A Year in Reflection

The department has also been addressing issues brought forward by the McCauley report including:

- The computer network is in place and files are presently being transferred electronically to the server.
- Laptops are now equipped with wireless capability and are loaded with the proper software and installed in trucks to ensure the timely filing of reports with the proper authorities.
- Proposals have been received regarding plans for the new east fire hall.
- Operational Guidelines have been distributed to the new recruits with up to date training material as per the NFPA standards.
- Terms of references have been approved for Officers so that everyone is aware of their respective duties



Major roof repairs have been completed on the west fire hall. In addition, repairs to fire trucks; 383 (8000\$), 384 (1200\$), 386 (6200\$) and 387 (4500\$) have been required.

The last 12 months were surely a successful year, though emergencies that put stress, pain and extreme sorrow on our neighbours should never be classified as being successful.

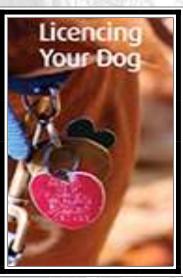
With the new group of firefighters in place, my expectations is that the next 12 months will even be busier with much of the outstanding work being completed by our firefighters on maintenance and small repairs.



Guy Brisebois, Fire Chief, District of Highlands



Information pamphlets available of the CRD website: http://www.crd.bc.ca/animal/index.htm





"A dog licence is your pet's best ticket home"

#### ANIMAL CONTROL

The District contracts its animal control services to the Capital Regional District (CRD). The service includes dog licencing and control as well as any other animal related matters. The contract provides that the District shares in the total cost for the animal control service with other participating areas and municipalities, as if we were a participant in a regional service. Therefore, the CRD collects and keeps any dog licence fees and fines.

#### ANIMAL CONTROL continued

The Capital Regional District Animal Care Services to 11 of the 13 local municipalities. The CRD's mandate is to return pets to their owners, if possible and where this is not possible animals are cared for at the CRD Pound facility.

In most cases, if these animals are unclaimed a suitable adoption or foster home is found. If you feel that your family may be a suitable foster family or adoption family, a adoption application can be found on the following CRD website: www.crd.bc.ca/animal/adoptionpolicy.htm.

The following adoption fees apply:

ANIMAL	ADOPTION FEES
Dog (previously spayed/neutered)	\$ 75 - \$150
Dog - Male (CRD neutered)	\$175
Dog - Female (CRD spay)	\$200
Puppy - Female/Male*	\$200
Cat - Mature (previously spayed/neutered	\$50
Cat - Male (CRD neuter)	\$75
Cat - Female (CRD spay)	\$125
Kitten - Female/Male*	\$125

#### Animal Control summary for 2010:

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Patrol Hours	18.5	55.5	32	25	30.5	36.5	24	23.5	30	24.5	20	0	320
Complaints	4	5	2	5	2	7	2	2	6	6	2	2	43
Enforcement Actions	0	0	0	0	0	4	0	1	2	0	0	0	7
Impounds	2	2	0	0	4	7	2	1	1	2	1	0	22
Total Dog Activity	2	2	0	0	0	3	4	2	0	2	2	0	17
Total Cat Activity	0	0	0	0	0	2	1	1	0	0	0	0	4

<sup>\*</sup>A full report is available at the District Office

#### BYLAW ENFORCEMENT



Does this look familiar?

Garbage dumped on roadsides or on private lands in the Highlands is one of the most common and costly bylaw complaints.

If you come across a dump site do you know what to do?

Please contact the district office immediately as our bylaw enforcement officer will investigate the site to see if information on the owner may be located within the dumped material.

Office Number: 250-474-1773

The District has a fee for service contract with the Capital Regional District for Bylaw Enforcement Services. Under the provisions of the contract, the District can call upon CRD Bylaw Enforcement staff on a fee for service basis to undertake any bylaw enforcement activity. CRD Enforcement Officers can assist the district with maintaining compliance to numerous bylaws including:

- Building regulations
- Land use
- Environmental services
- Noise abatement
- Unsightly premises
- Water use
- Business licenses
- Regional parks
- Animal control
- Smoking regulations

The use of CRD Bylaw Enforcement staff has decreased significantly since engaging the services of a Building Inspector/Bylaw Enforcement Officer.

As development continues to increases throughout the District of Highlands, more time will be spent in the role of Building Inspector.

#### BYLAW ENFORCEMENT continued

#### Summary of Enforcement Hours by Bylaw Category - 2010:



Bylaw	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Admin/ Misc.			6.00						2.50				8.50
Soil Deposit									10.50		3.75		14.25
Noise				1.00	0.50	0.50			2.50	26.50	1.50		32.50
Soil Removal								0.50			4.00		4.50
Unsightly				1.00									1.00
Total Actual Hrs/ Month	0	0	6.00	2.00	0.50	0.50	0	0.50	15.50	30.50	5.25	0	60.75



#### Don't forget...

When you see this, contact the district office immediately as our bylaw enforcement officer will investigate the site to see if information on the owner may be located within the dumped material.

Office Number: 250-474-1773

#### MUNICIPAL EMERGENCY PROGRAM

The District has a small volunteer emergency program, led by the Program Coordinator, Val Fletcher. The primary responsibility is emergency planning, as well as some on site support for major fire events or search and rescue. Val has the following to report for 2010.

<u>Wildfire Report</u>: No major wildfires occurred within the Highlands during the 2010 fire season (April 1 - Oct 15). A small grass fire occurred under the BC Hydro right-of-way off Munn Road near Francis-King Park on July 21, 2010. Saanich Fire Department attended as it was just in their area of coverage and initially paged out the Highland Fire Department for mutual aid but were almost immediately stood down as Saanich had it extinguished rapidly. An abandoned campfire caused a brush fire off the 900 block of Finlayson Arm road on September 2, 2010. The HFD had it contained and out in about one hour.

<u>Shakeout BC</u>: Under the direction of the Emergency Coordinator, Municipal staff at the District Office participated in the Shake Out BC drill held at 10:00 am on January 26, 2011. Immediately before the drill a discussion was held on earthquake hazards within the office environment and why we should DROP, COVER and HOLD ON!

<u>Public Information Session</u>: The Highlands Emergency Program (HEP) participated in a **West Shore public information session "Be Prepared! Be Part of the Solution!" held at the** West Shore Parks and Recreation Centre on Saturday, October 23, 2010 from 10-12 noon. HEP set up an information table with Emergency Preparedness pamphlets, a Shake Out BC

poster, and an Evacuation Zone map. The Emergency Coordinator also gave a presentation on the Shake Out BC initiative and demonstrated how to DROP, COVER and HOLD ON! .

<u>Highlands Emergency Program</u> takes delivery of a CREST Emergency Radio Communications Kit.

The kit includes a Capital Region Emergency Service Telecommunications (CREST) radio and small mobile antenna housed in a rugged, plastic and portable water-proof case. The radio can be operated on 120 v AC, a 12 v



DCexternal power source or from an internal 12 v DC rechargeable battery. It will be located in the District Office, our primary Emergency Operations Centre (EOC), and used for communicating directly with the Highlands Fire Department. The fire department uses the CREST radio system for dispatch, fire ground control, mutual aid and other inter-agency communications. During a major Wildland/Urban Interface fire, radio communication with the on-site incident commander (e.g., Fire Chief or Senior Officer) is crucial in managing operations and allocating resources. As well, the kit could be deployed in the field if an on-site EOC was set up and also used as an additional field communications resource for the fire department in instances where an EOC is not activated.

If you would be interested in volunteering for the emergency program Val would love to hear from you—250-479-1725

#### LIBRARY SERVICES









The District participates, along with most of the local municipalities, in the Greater Victoria Public Library system (GVPL). Our local branches are located at the West Shore Parks and Recreation site, 1759 Island Highway in Colwood and the new Goudy Branch, 119—755 Goldstream Avenue in Langford. The District also pays a portion of the central branch costs for the administration of all of the branches. District of Highland residents may access any branch of the Greater Victoria Public Library within the Capital Region. Full a full listing of branches and services available visit the Greater Victoria Public Library website at: http://www.gvpl.ca/.

Residents should note that they can *Help Shape the Future of the Greater Victoria Public Library* - The Greater Victoria Public Library Board is currently engaged in a *strategic planning process*. A new strategic plan for 2011-2013 will help us determine the future direction of your public library. Read our message from the Greater Victoria Public Library Board Chair, Karel Roessingh. This online survey is available June 1-21, 2011. Take the Survey Now online via the homepage: http://www.gvpl.ca/

#### Recreation Services

#### West Shore Parks and Recreation

The main recreation facility is located at the West Shore Parks and Recreation site in Colwood and consists of:

- two ice arenas,
- Curling rink,
- BMX Track,
- Club House,
- Kinsmen Fieldhouse,
- an indoor pool, swirl pool/sauna/ steam room
- Seniors Activity Centre (+55),
- weight room,
- playing fields,
- ball diamonds,
- beach volleyball,
- tennis courts,
- basketball courts,
- lacross box,
- lawn bowling,
- jogging trail.
- velodrome,
- 9 hole golf course, and
- Centennial Centre located in Langford.



The facility is jointly owned by Colwood, Highlands, Langford, Metchosin, View Royal and the CRD, on behalf of a portion of the Juan de Fuca Electoral Area. The facility is operated by a jointly owned Society. The Society has a joint Board of Directors (Councillor Williams represents the District of Highlands as our appointed Director) and engages all of the recreation staff.

The West Shore Parks and Recreation Society obtained a \$724,900 grant from the recreational infrastructure Canada program to go towards an expansion of the current weight room area. The co-owners helped to finance the remaining costs. In May 2010 the project began. The grand opening was in February 2011. The expansion resulted in two new main areas:

- The WEIGHT ROOM is now a total of 6555 square feet, the expanded weight room provides twice the space to work out. The single level weight room with automatic door entry is fully accessible to all.
- The Fitness Studio the 2775 square foot dedicated Fitness Studio is complete with sport flooring, an air handling system for temperature control, a fabulous sound system and is located conveniently next to the weight room and change rooms.



#### West Shore Parks and Recreation Continued....

In 2010 the newly expanded Senior Activity Centre also opened. West Shore Parks and Recreation Society received a Federal grant in the amount of \$645,000 to assist with the funding for this project. The Juan de Fuca 55+ Activity Centre to provide much needed programming and auditorium space for both Seniors and the general community. More information regarding available programs can be found at: http://www.jdfseniors.shawbiz.ca/index.htm



Given the large geographical area of the Highlands, a number of our residents also use facilities in other municipalities, such as the District of Saanich, that are closer to their homes than the West Shore Parks and Recreation facilities.

Senior Activity Centre - prior to expansion

\*\*2011 Update - The West Shore Parks and Recreation Board of directors voted to support a subcommittee recommendation to reopen the Velodrome. The Greater Victoria Velodrome Association, the group responsible for operating and maintaining the track, hopes to have the clean up and fencing issues dealt with by early June and resume regular training and racing as soon as possible.





Playground



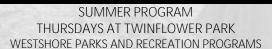
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### Municipal Parks - Twinflower and others





Twinflower Park bathroom



When: July 7 - August 25

Location: 1564 Millstream Road (beside Fire Hall)

Cost: Free!

DAYCARE IN THE PARK | Ages 3 - 5 Time: 10:00 a.m.—11:00 a.m.

WESTSHORE ROVING PLAYPARK | Ages 6 - 12

Time: 11:00 a.m. - 3:30 p.m.

For more information, check the Westshore Parks and Recreation

Activity Guide, pages 64 and 68

(online - westshorerecreation.ca | call Bobbi at 250-474-5825.







Tot lot playground

The District has a management agreement with the Highland Parks and Recreation Association whereby they manage and maintain our active use municipal parks. The primary municipal park is Twinflower Park, which has a tot lot playground, a non-regulation size ball field, a bicycle jump and a horse-riding ring.

The other primary active recreation park is Eagles Lake Park, which has a very small swimming beach and picnic area.

#### Municipal, CRD and Provincial Parks

The District of Highlands places high value on greenspace, trail systems and outdoor recreational opportunities. The Official Community Plan (OCP) states that "the major roles of the Highlands are to preserve large areas of green space, to protect elements of the region's ecosystems, and to provide outdoor recreational opportunities for Capital Regional District residents and visitors."

Mount Work Regional Park - After consultation with the district and local neighbours the CRD CRD Regional Parks made improvements to the south entrance to Mount Work Regional Park at Munn Road: The key components of the project included:

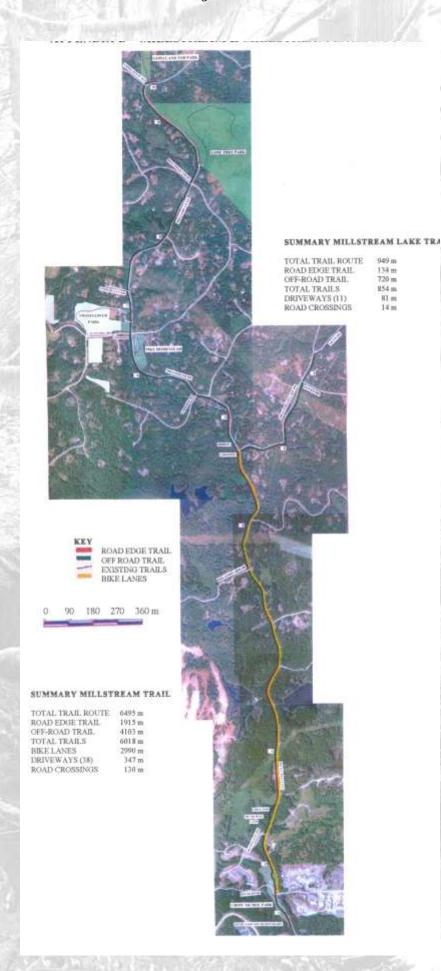
- Improved park entrance ~30m east of existing location
- 11 parking spaces
- 4.2m width one lane driveway
- Information kiosk and signs
- Universally accessible toilet building
- Accessible Trail Loop











On April 24, 2010 Residents were invited to view plans of the proposed trail system along Millstream Road, lower Millstream Lake Road, Munn Road and Woodridge Place, and to complete a survey.

Those attending expressed their support for the proposed trail plans and standards, and were in favour of trail sharing by pedestrians and horse riders, and designated bike lanes along lower Millstream Road. They were particularly interested in having trails located off the road edge as much as possible. Almost all respondents indicated that they or members of their family would use the proposed trails if they were built.

In terms of priorities, support was highest for a trail along the Millstream Road corridor and for bike lanes south of the Millstream Lake Road junction. There was also support for trails along lower Millstream Lake Road and Munn Road, and, to a lesser extent, Woodridge Place.

Some of the issues addressed by residents were the need for more loop trails and east-west connector trails within the municipality, and the value of the District working with landowners to acquire trail corridors or easements. Some residents expressed uncertainty over the status of some present trail routes, and identified a need to integrate municipal, regional and provincial trail planning within the Highlands.

\*\*PLEASE NOTE: THE HIGHLANDS HORSE AND TRAIL CLUB A branch of the HIGHLAND PARKS & RECREATION ASSOCIATION, welcomes all recreation enthusiasts to join our membership. Please come and enjoy neighbourhood hikes, rides, picnics and work bees in our local parks and

To learn more, contact: Janet Williams

P: 250-479-7497 | Email: jwbizjan@gmail.com

#### Caleb Pike Homestead









The District has a management agreement with the Highland Heritage Parks Society, whereby they operate and maintain the municipally owned Caleb Pike homestead. The homestead consists of Caleb Pike House, the Little Red Schoolhouse, a heritage orchard and the Gregory House which is used as a care-

taker's residence.

Numerous events take place at the homestead, such as the summer market, HDCA sponsored Easter Egg Hunt, youth program, garden group, Highlands's Fling and the Highlands Folk Music!

The annual Tug o'War at the Highlands Fling 2010

Photo Credit: Allen Dobb



The maintenance of the District's 43.7 kilometers of paved roads is contracted out to Victoria Contracting and Municipal Maintenance Corporation. Road work in 2010 include establishing cul de sacs on two local roads for emergency and service vehicle access, replacement of the Bridge on Millstream Lake Road and upgrading of South Millstream Road (postponed to 2011).

Anticipated work in 2011 will include:

- Millstream Lake Road Culvert Replacement
- South Millstream Road Upgrading
- Miscellaneous Road Patching

#### Building Services

The Building Inspector administers the BC Building Code and ensures that all buildings in the District of the Highlands are constructed to the standards of the National Building Code.

The Building Inspection Department can help with the following:

- Issuing building, plumbing, chimney, soil deposit and soil removal, tree cutting and blasting permits
- Building permits the building inspector processes building applications and reviews plans to ensure compliance with the BC Building Code, municipal bylaws and policies
- Inspections inspections are performed at various stages of construction and include:
  - ⇒ foundation and footing forms (before concrete is poured;
  - ⇒ installation of perimeter drain tiles and damp-proofing (prior to backfilling);
  - ⇒ rough-in of all chimneys and fireplaces and solid fuel burning appliances;
  - ⇒ rough-in plumbing;
  - ⇒ insulation and vapour barrier;
  - ⇒ health and safety aspects of the work prior to occupancy
  - ⇒ a final inspection is required upon completion of a project and before an occupancy permit can be issued.
- Site Inspections site inspections are required to determine that conditions set out in the permit have been satisfied

Construction Values and Permit Fees for 2010 Includes building and plumbing fees

	Construction Value	Permit Fees
January	589,530	13,530
February	278,035	6,550
March	277,850	4,265
April	268,500	6,230
May	446,830	10,300
June	652,540	13,360
July	469,770	9,875
August	725,295	15,330
September	242,675	5,510
October	375,690	7,540
November	8,000	505
December	27,200	640
2010 TOTALS	\$4,361,865	\$93,630





# 8. PROGRESS REPORT

ISSUE	STATUS	NEXT STEPS		
Economic Development South Highlands:				
West side Millstream Road	CRD RGS Amendment Process complete	Staff report rationalizing zoning boundaries to RUCSPA		
East side Millstream Road	Awaiting water main installation	Potential re-development at the discretion of property owners. No action currently required.		
Infrastructure:				
Groundwater Monitoring Program	Phase 3 Underway	Discussion with Bear Mountain for voluntary monitoring information. Consideration of Sustainability Task Force (STF) recommendations.		
Annual road structure and surface assessments	2010 assessments complete	For Budget considerations		
Transit/Transportation	Council Transit Liaison appointed. Ongoing process.	Participate in as many opportunities as possible that occur. STF recommendations to consider		
Juan de Fuca Recreation Facilities	Ongoing process	To support the management of the West Shore facilities for the benefit of all residents and users.		
Park Management Plans	Council authorized drafting Eagles Lake Park Management Bylaw	Staff to draft in consultation with HPRA		
Trails Master Plan	Project complete	Staff recommendations on I implementation		

## PROGRESS REPORT continued

ISSUE	STATUS	NEXT STEPS		
Emergency Services:				
MacAulay Report Recommendations	Fire Department analysis complete	Bring forward report on issues involving recommendations		
Fire Hall (s)	Planning work on east hall has begun	Bring forward recommendations on hall construction/modifactions		
Day Crew	Ongoing Process.	Recent influx of new recruits has relieved critical shortage. No action currently required.		
Neighborhood "HELP" Volunteers	Ongoing Process	Council will support the recruitment of volunteers through newsletter and web site advertisements		
Administrative/Gove	ernance			
Treaty Process/First Nations Relations	Participant in the Te'Mexw Treaty Advisory Committee	Continue participation in Treaty Process to the fullest extent possible. Develop and enhance relations with local First Nations governments.		
Millstream Meadows	Remediation process in progress	Continue to support remediation of the property to the highest degree practicable		
Wildfire Interface Regulations	Staff report in progress	Bring forward report to Committee of the Whole when prepared.		
George Cuff Corporate Review /Recommendation	In the queue	Bring forward to a Committee of the Whole Meeting		
Subdivision Servicing Bylaw	Revisions prepared	Upon completion bring forward for Council consideration. This will incorporate Bear Mountain Servicing Standards as well as housekeeping amendments to the general text		

# PROGRESS REPORT continued

ISSUE	STATUS	NEXT STEPS		
Administrative/Governance Continued				
Staff Salary Review	Current Salary Rates expire at year end	Bring forward proposal for review		
Council Ethics Policy	Complete	Finished		
Soil Deposit and Removal Regulations Review	Background report and recommendations prepared	Disseminate Committee comments and bring forward for public consultation		
Integrated Pest Management Planning	Not initiated			
Heritage Property Recognition	Task Force established and working	Establish Heritage Vision and rec- ommend properties for inclusion on Heritage Register		
Riparian Area Agriculture/Livestock Management	Not initiated	Consolidate available information for education purposes and post on web site		
Land Use				
Sustainability Task Force OCP Level Policy Issues	ICSP and OCP update project has begun	Consultants will lead the progress beginning with a Sustainability Fair		
Secondary Suites		Staff draft terms of reference for consultant services		
Large Lots	Landholder consultation completed.	Staff Report recommending process to move forward		
Community Based				
Volunteer Recognition	Recommended for a catered outdoor event	Plan and deliver (Spring 2011)		
Community Hall	Community consultation has taken place	Await CCTF Recommendations		
Highlands Community Market	Ongoing			

## 9. STATEMENT OF REMUNERATION AND EXPENSES d)

## **DISTRICT OF HIGHLANDS**

Statement of Remuneration and Expenses (Unaudited) Year ended December 31, 2010

	Elec	ted Officials	12				
		Rem	uneration	E	xpenses		Total
Jane Mendum	Mayor	\$	10,000	\$	435	\$	10,435
Allen Dobb	Councillor		6,000		1,837		7,837
Diane Gill	Councillor		6,000		940		6,940
Sigurd Johannesen	Councillor		6,000		2,969		8,969
Marcie McLean	Councillor		6,000		435		6,435
Karel Roessingh	Councillor		6,000		1,932		7,932
Ken Williams	Councillor	TE AT FACE	6,000		3,262	1	9,262
100 mm	是近日中19	\$	46,000	\$	11,810	\$	57,810

Reconciliation of Remuneration	
1. Elected Officials	\$ 46,000
2. Employees	504,265
3. Receiver General for Canada (Employer portion CPP & EI)	18,484
4. Reconciling Items	106,016
Total per note 9 to the audited financial statements	\$ 674,765

10. DECLARATION AND IDENTIFICATION OF DIS-QUALIFIED COUNCIL MEMBERS

11. STATEMENT OF PERMISSIVE PROPERTY TAX
EXEMPTIONS FOR 2010
NII

12. FEDERAL GAS TAX TRANSFER REPORT

#### 13. VOLUNTEERS

Citizen involvement is an important element of maintaining a successful community as no community can succeed without the active participation of its volunteers. Many of the District's functions would not be possible without the collective efforts of the District, volunteers and residents.

# DISTRICT OF HIGHLANDS VOLUNTEER FIRE DEPARTMENT AND FIRE FIGHTERS

Guy Brisebois in the District of Highlands Fire Chief. In May 2010 the annual elections of the Highlands Volunteer Fire Department resulted in Peter Shuttinga being elected the Deputy Fire Chief and Dean Ford being elected Captain/Training Officer, Rob Tuit West Hall Leiutenant and Greg Fletch East Hall Lieutenant.

Fire Chief - BRISEBOIS, Guy Deputy Fire Chief - SCHUTTINGA, Peter Captain - FORD, Dean Lieutenant - FLETCHER, Gregg Lieutenant - TUIT, Robert BENDER, Stew BROWN, Bob COOPER, Mathew COX, Cliff FALKENER, Tom HAAS, Dan HINDE, Rick HUNT, Sam KAUFFMAN, Dwayne MACKAS, Dave PATEY, Brice PRICE, Bruce RIDOUT, Connor SCHUTTINGA, Jason STEWART, Andy WILLIAMS, Reg

#### 13. VOLUNTEERS continued

#### 2010 ADVISORY PLANNING COMMISSION

Eleanor Rayner
Colleen Robertson
Mara Dhillon
Honora Johannesen
Fred York
Rick Lester
Allan Roger

#### 2010 Board of Variance

Will Carrilho Paul Henry

#### 2010 COMMUNITY CENTRE TASK FORCE

Bob Flitton
Susan Leslie
Bob McMinn
Bessie Nuk
Eleanor Rayner
Rachael Sansom

2010 COMMUNITY INFRASTRUCTURE AND SERVICES SELECT COMMITTEE

Bob Flitton
Rick Hughes
Bessie Nuk
Eleanor Rayner
Paul Reynolds
Allan Roger
Evelyn Samuel
Hans Waelti
Fred York



### 13. VOLUNTEERS continued

# 2010 FISCAL AND ENVIRONMENTAL SELECT COMMITTEE

Karen Burns
Patricia Cummins
Kenn Faris
Vicky Husband
Warren Lee
Elaine Limbrick
Bob McMinn
Greg Nuk
Aniko Varga

#### 2010 GROUND WATER TASK FORCE

Eric Bonham Warren Lee Michelle Mahovlich

#### 2010 Heritage Task Force

Daphne Allen
Bronwen Duncan
Sally Gose
David O'Laney (since resigned)
Bob McMinn
Diana McMinn
Paul Henry (joined in 2011)



## 14. STATISTICS

