



# **DISTRICT OF HIGHLANDS**

## **2023 ANNUAL REPORT**

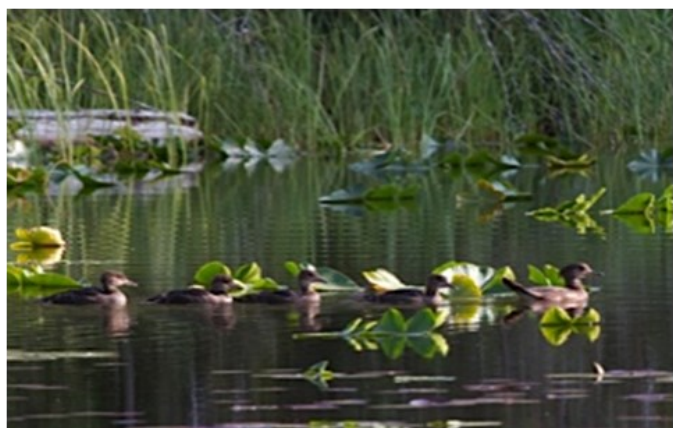
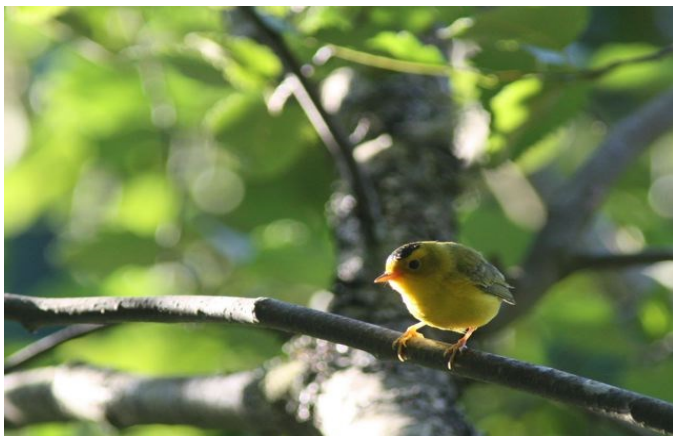
**For the Year Ended December 31, 2023**



We acknowledge that we are gathered in the traditional territories of the Lək'wəṇən, SENĆOTEN and Hul'q'umi'num speaking First Nations with whom we are committed to building stronger working relationships.



# TABLE OF CONTENTS



## I. INTRODUCTION

Highlands Vision & Mission.....	4
Community Profile .....	5
Connect With Us .....	5
Community Events .....	6
Mayor's Message .....	7
Highlands Council 2022-2026.....	8
Council Profiles .....	9-10

## II. COUNCIL PRIORITIES

Strategic Priorities 2023-2026 .....	11-12
Strategic Plan Accomplishments .....	13

## III. COUNCIL'S SELECT COMMITTEES

Select Committees & Advisory Bodies.....	14
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## IV. MUNICIPAL SERVICES & OPERATIONS OVERVIEW

Operational Highlights .....	15
Public Participation/Public Engagement ...	16
Asset Management .....	17-18
Organizational Chart .....	19
Chief Administrative Officer's Message ...	20
Operational Services .....	21-30

## V. FINANCIAL STATEMENTS

2023 Financial Statements	
2023 Statement of Financial Information	

# HIGHLANDS VISION AND MISSION

## VISION

The following vision is stated in the District of Highlands' Official Community Plan:

*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.*

*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.*

## MISSION

*"The District of Highlands provides good governance, services, stewardship of public assets, and fosters the economic, social and environmental well-being of the community for current and future generations."*  
*Based on the Community Charter sec.7 Municipal Purposes*



# COMMUNITY PROFILE

The District of Highlands is located just northwest of Victoria, British Columbia Canada. It is one of 13 member municipalities comprising the Capital Regional District. More than one-third of the Highlands is protected as municipal, regional, and provincial parkland. Highlands is a beautiful rural residential area and residents are actively involved in the community.

<b>Incorporated</b> December 7, 1993	<b>Total Population</b> 2,482*	<b>Average Citizen Age</b> 43.2 years*
<b>Total Land Area</b> 3,745 Ha	<b>Total Park Space</b> 1,561 Ha	<b>Roads</b> 46 km
<b>Heritage Registry</b> 5 Structures 3 Natural Areas 1 Road	<b>Total 2023 Building Permit Revenue</b> \$20,970	<b>Total 2023 Construction Values</b> \$913,755

\* Statistics from 2021 Canada Census

## CONNECT WITH US

<b>In Person</b>	1980 Millstream Rd, Highlands, BC, V9B 6H1 Office Hours: Monday-Friday 8:30 am - 4:00 pm (except statutory holidays)	
<b>Website</b>	<a href="http://www.highlands.ca">www.highlands.ca</a>	
<b>Telephone</b>	General Inquiries: Fire Non-Emergency: Police Non-Emergency: West Shore Parks & Recreation:	250-474-1773 250-920-6970 250-474-2264 250-478-8384
<b>Email</b>	General: Staff Directory:	<a href="mailto:info@highlands.ca">info@highlands.ca</a> <a href="http://www.highlands.ca/201/contact">www.highlands.ca/201/contact</a>
<b>Newsletter</b>	Highlands Council & Community Newsletter	<a href="http://www.highlands.ca/189/Newsletters">www.highlands.ca/189/Newsletters</a>
<b>Meetings</b>	Council: Committee of the Whole: Select Committees:	Meeting schedules, agendas & minutes are available online: <a href="http://www.highlands.ca/agendacenter">www.highlands.ca/agendacenter</a>

# COMMUNITY EVENTS



**2023 Highlands District Community Association Highlands Fling (above)**



**2023 Highlands District Community Association Highlands Fling (above)**



**2023 Highlands Fire Department Santa Run**



**2023 Poppy Flag Raising Ceremony**

# MAYOR'S MESSAGE

Mayor Ken Williams



Mayor Ken Williams is serving his third term as Mayor, and has previously served three terms as Councillor. He was first elected to Council in 2006.

## **Appointments:**

Capital Regional District Board  
Capital Regional District Finance Committee  
Capital Regional District Planning and Protective Services Committee (Vice Chair)  
Capital Regional District Regional Parks Committee  
Capital Regional Hospital District Board  
Capital Region Housing Corporation Board  
Highlands Emergency Planning Committee  
Integrated Police Unit Regional Governance Committee  
First Nations Relations Committee  
Municipal Insurance Association Representative  
South Island Reconciliation Advisory Committee (Alternate)

On behalf of the Council, I am pleased to present the 2023 Annual Report for the District of Highlands. This report offers valuable insights into the District's operations, including the 2023 financial statements, as well as notable highlights and accomplishments.

I would like to begin by acknowledging that the land on which we live is within the traditional territories of the SENCOTEN speaking WSÁNEĆ Nations {WJOŁŁP (Tsartlip), BOKEĆEN (Pauquachin), STÁUTW (Tsawout) WSIKEM (Tseycum)} The Łəkwəŋən speaking (Songhees) and Xwsepsum (Esquimalt) Nations and the Hul'qumi'num speaking MÁLEXEŁ (Malahat) Nation.

## **HÍSWKE**

Council began 2023 by reviewing the District's strategic plan, which led to a commitment to ensuring the District's capacity and ability to provide services that are progressive, effective, efficient, and strongly aligned with the direction set by the Council and the community. The five overarching goals and priorities of the plan are:

- Addressing the climate emergency through adaptation and mitigation strategies
- Enhancing emergency preparedness, resiliency, and recovery efforts
- Protecting water resources and the environment
- Preserving and enhancing rural values
- Promoting community well-being

In the Capital Work Plan, the following projects were implemented: Pavement repairs; Culvert replacements; Building maintenance operations; Bridge maintenance and repair.

Additionally, the South Highlands Local Area Plan was completed.

In 2023, the Fire Department, in partnership with FireSmart, continued providing seminars and resources on wildfire preparedness for residents. FireSmart recently updated their Last-Minute Checklist. A UBCM grant funded a backup generator for the East Fire Hall.

The Highland Heritage Park Society hired Alia and Sheldon as caretakers for the Caleb Pike Homestead, securing a new Caretaker's Agreement. Community Hall rentals increased, and a new pergola was installed.

West Shore Parks and Recreation proudly opened their world-class skatepark on May 13th at the JDF Recreation Centre, catering to skaters of all levels.

At the WMÍYEFEN Nature Sanctuary, a ceremony led by Tsartlip Elder Tom Sampson designated the sanctuary as a Sacred Site for Indigenous cultural practices. Mary Lake was named XÁXOĆE, EETE XOĆEFENOŦ, meaning "the sacred lake of the sacred woman," highlighting women's sacred role in fostering harmony and healing.

Special thanks to volunteers from Highlands Firefighters, Emergency Services, Select Committees, Heritage Park Society, and Community Associations for their invaluable contributions to the community. Thanks also to staff for maintaining a high level of professionalism.

  
Mayor Ken Williams

# HIGHLANDS COUNCIL 2022 - 2026



**Left to Right:** Councillor Rose Stanton, Councillor Marcie McLean, Mayor Ken Williams, Councillor Karel Roessingh, Councillor Leslie Anderson, Mayor Gord Baird, Councillor Ann Baird (photo from 2022)

Highlands Council consists of a Mayor and six Councillors who are elected to four year terms. The current municipal Council was elected October 15, 2022 and sworn in at the Inaugural Council Meeting held November 7, 2022. General local elections are held every four years. The next election is scheduled to be held October 17, 2026.

Council is responsible for establishing priorities and policies that serve the interests of both current and future Highlands residents. Mayor and Council work to make governance decisions that demonstrate local government leadership on matters within their jurisdiction as provided for by the Provincial Government through the *Community Charter* and the *Local Government Act*.

In addition to their Council duties, Council members may also participate in District and regional committees, boards, and advisory bodies to provide input and direction on local and regional matters.

Council generally meets on the first and third Monday of the month and sits as Committee of the Whole on the second Monday with some exceptions as reflected in the annual meeting schedule. Meetings normally start at 7 p.m. and are held at the Community Hall, 729 Finlayson Arm Road, unless otherwise noted.

## CONNECT WITH HIGHLANDS COUNCIL

Council Member	Email	Telephone
Mayor Ken Williams	kwilliams@highlands.ca	250-882-5481
Councillor Leslie Anderson	leslie.corvidconsulting@gmail.com	778-350-8180
Councillor Ann Baird	ann@eco-sense.ca	250-812-5481
Councillor Gord Baird	gord.baird@gmail.com	250-818-7986
Councillor Marcie McLean	marciemclean@shaw.ca	250-474-4725
Councillor Karel Roessingh	karel@roessong.com	250-727-9808
Councillor Rose Stanton	rose26@telus.net	250-474-3403

# HIGHLANDS COUNCIL PROFILE

## Councillor Leslie Anderson



Councillor Anderson is serving her third term as Councillor. She was elected to Council in 2014.

### **Appointments:**

Capital Region Emergency Service Telecommunications (Alternate)  
Highlands Heritage Select Committee  
Highlands Sustainable Land Use Select Committee (Alternate)  
South Island Reconciliation Advisory Committee  
West Shore Parks and Recreation Society Board

## Councillor Ann Baird



Councillor A. Baird is serving her third term as Councillor. She was elected to Council in 2014.

### **Appointments:**

Capital Regional District Climate Action Inter-Municipal Task Force  
Capital Regional District Housing Trust Fund Commission  
Highlands Social Sustainability Select Committee (Alternate)  
Highlands Heritage Select Committee (Alternate)  
Municipal Insurance Association (Alternate)

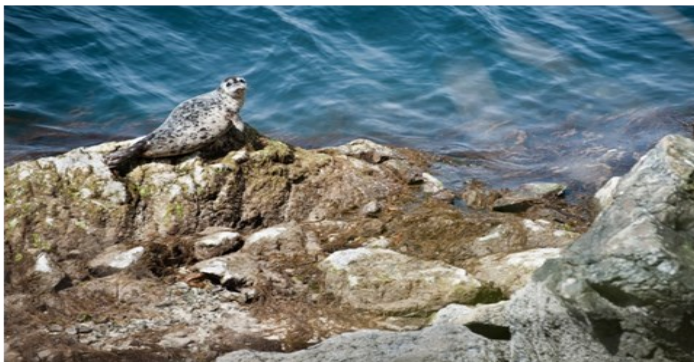
## Councillor Gord Baird



Councillor G. Baird is serving his third term as Councillor. He was elected to Council in 2014.

### **Appointments:**

Capital Regional District Regional Water Supply Commission (Chair)  
Capital Regional District Juan de Fuca Water Distribution Commission (Chair)  
Capital Regional District Climate Action Committee (Alternate)  
Highlands Emergency Planning Committee (Alternate)  
Highlands Sustainable Land Use Select Committee



# HIGHLANDS COUNCIL PROFILE

**Councillor Marcie McLean**



Councillor McLean is serving her fifth term as Councillor. She was elected to Council in 2008.

**Appointments:**

Co-existing with Carnivores Alliance  
Victoria Family Court and Youth Justice Committee  
Municipal Insurance Association (Alternate)

**Councillor Karel Roessingh**



Councillor Roessingh is serving his eighth term. He was first elected to Council in 1993 previously serving two terms as Mayor (1999-2002, 2002-2005) and six terms as Councillor (1993-1996, 2008-2011, 2011-2014, 2014-2018, 2018-2022, 2022-2026).

**Appointments:**

Capital Regional District Arts Commission  
Capital Region Emergency Services Telecommunications (Vice-Chair)  
Greater Victoria Public Library Board  
Capital Regional District Board & Hospital District Board (Alternate Director)  
Capital Regional District Housing Corporation (Alternate)  
Capital Regional District Regional Water Supply Commission (Alternate)  
Capital Regional District Juan de Fuca Water Distribution Commission (Alternate)

**Councillor Rose Stanton**



Councillor Stanton is serving her second term as Councillor. She was elected to Council in 2018.

**Appointments:**

Co-existing with Carnivores Alliance (Alternate)  
Highlands Emergency Planning Committee, Chair  
Highlands Social Sustainability Select Committee  
Victoria Family Court and Youth Justice Committee (Alternate)  
Western Communities Policing Advisory Committee (Alternate)  
West Shore Parks and Recreation Society (Alternate)



**Notify Me®**  
Sign up to receive  
notifications

You will not miss a meeting or Highlands event by using the “Notify Me” function on the District’s website. You simply sign up for items such as: agendas, minutes, news alerts, and events posted to the community calendar and an alert will be directed to either your cell phone or email informing you of the new item. Sign up by visiting [www.highlands.ca](http://www.highlands.ca).

# STRATEGIC PRIORITIES

Council's Strategic Plan is guided by the Official Community Plan (OCP) and the Integrated Community Sustainability Plan (ICSP) that provide a long-term vision and pathway for Council's decision making.

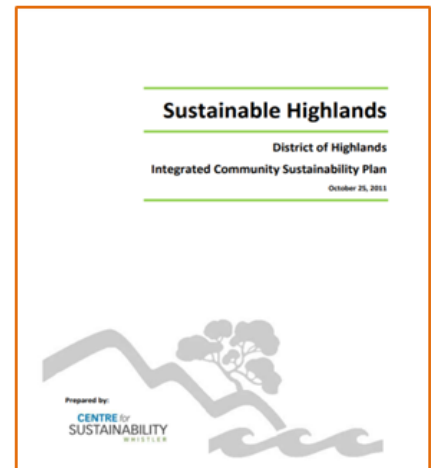
## Strategic Plan 2023-2026



## Official Community Plan (OCP)



## Integrated Community Sustainability Plan



The Strategic Plan outlines the priorities for the Council term. These Council identified initiatives are undertaken by staff in addition to the delivery of core services and regulatory obligations. Timelines for completion of priorities are developed in consideration of departmental work plans and planned initiatives are funded through the annual budget process.

The Plan is reviewed annually to ensure progress is achieved, changing circumstances are responded to, and opportunities are considered. The financial implications of the strategic priorities are reviewed in conjunction with the District's annual and longer-term financial planning process.

Council identified five overarching interconnected goals for the 2023-2026 Strategic Plan that guide the work of the organization:



# STRATEGIC PLAN TIMELINE

Each year Council undertakes a review of the priorities included in the Strategic Plan to discuss adding, removing, proceeding with, or modifying the initiatives included in the Plan in consideration of staff capacity to undertake the projects within the projected timelines, along with newly emerging priorities. These reviews are conducted in open meetings that the public is welcome to observe.

In 2023, the South Highlands Local Area Plan project made significant headway. Council continued working toward consideration of the Secondary Suites Policy, and completed the Community Hall pergola project.

The table below represents the timeline for Council's identified priorities in 2023 following the annual review.

* Priority	2023				2024				2025				2026			
Quarter	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Organizational Structure and Capacity Review																
South Highlands Local Area Plan Finalization & Adoption																
Groundwater Protection Implementation and Work Plan																
Community Hall Pergola Construction																
Tree Bylaw Review (1 <sup>st</sup> step council discussion of models and direction)																
Secondary Suites (Bylaw finalization)																
Improve Communications – Staff Report																
Recreation Participation - Staff Report																
High Level Development Application Fees Review – Staff Report																
Bring forward for Council information and consideration: 2002 Trails Master Plan & 2010 Roadside Trail and Cycle Network Plan																

\*Council Priorities = New Operational Work

	Council Priorities
	Information & Research

# STRATEGIC PLAN ACCOMPLISHMENTS & ACTIVITIES

## Council Priorities Initiated or Completed in 2023

Climate Emergency, Adaptation & Mitigation	Emergency Preparedness, Resiliency & Recovery	Water Resources & Environmental Protection	Rural Values, Protection & Enhancement	Community Well Being
<ul style="list-style-type: none"> <li>Secondary Suite Policy (Bylaw finalization)</li> </ul>	<ul style="list-style-type: none"> <li>Emergency Program Strategic Plan Implementation</li> </ul>	<ul style="list-style-type: none"> <li>Groundwater Protection and Work Plan</li> </ul>	<ul style="list-style-type: none"> <li>South Highlands Local Area Plan</li> <li>Community Hall Landscaping: Pergola (finalization)</li> </ul>	<ul style="list-style-type: none"> <li>Organizational Structure and Capacity Review</li> </ul>

## Planned Council Priorities in 2024

Climate Emergency, Adaptation & Mitigation	Emergency Preparedness, Resiliency & Recovery	Water Resources & Environmental Protection	Rural Values, Protection & Enhancement	Community Well Being
<ul style="list-style-type: none"> <li>Development Application Fees Review</li> </ul>	<ul style="list-style-type: none"> <li>Emergency Program Strategic Plan Implementation</li> </ul>	<ul style="list-style-type: none"> <li>Tree Bylaw Review</li> <li>Groundwater Protection and Work Plan</li> </ul>	<ul style="list-style-type: none"> <li>OCP amendments for South Highlands Local Area Plan</li> <li>Review 2002 Trails Master Plan &amp; 2010 Roadside Trail and Cycle Network Plan</li> </ul>	<ul style="list-style-type: none"> <li>Organizational Structure and Capacity Review (implementation)</li> <li>Improve Communications</li> <li>Revise Select Committee Terms of Reference</li> </ul>

# SELECT COMMITTEES & ADVISORY BODIES

Select Committees and Advisory Bodies provide assistance to Council within their mandates as described in their respective Terms of Reference or establishing bylaw. Community members generously volunteer their time and diverse expertise to serve and are highly valued and appreciated for their significant contributions to the Highlands. Select Committee and Advisory Body members offer an important community voice that assists in Council's decision making on a variety of District matters.

Volunteer members assist Council with a broad range of matters including heritage, land use and natural areas, energy, building and sites, water and waste, healthy community, economy and work, education and leisure, transportation and mobility, food, and related financial sustainability.

The District is grateful to all of the volunteers for their commitment to strengthen the Highlands community for current and future residents.

## Heritage Select Committee

Daphne Allen

Sally Gose

Bob McMinn

Allen Dobb

Paul Henry

## Social Sustainability Select Committee

Guy Brisebois

Warren Lee

Scott Nicol

Marie Brotherston

Bob McMinn

## Sustainable Land Use Select Committee

Ingo Lambrecht

Bob McMinn

Ellie Rayner

Sophia Cuthbert

Cathy Reader

Allan Roger

## External Volunteer Bodies

Highlands is also fortunate and grateful to receive additional community resources and services from the following volunteer bodies:

Highlands District Community Association

Highland Park and Recreation Association

Highland Heritage Park Society

Highland Stewardship Foundation

# OPERATIONAL HIGHLIGHTS



Council Meetings continued at the Community Hall in 2023 with the ability to provide in-person and electronic participation to the public



2023 Culvert and Grind & Pave work



# PUBLIC PARTICIPATION & COMMUNITY ENGAGEMENT

Decisions are improved by engaging citizens and other stakeholder groups. The District of Highlands strives to promote transparency and encourage community dialogue to foster a better understanding of Council's role, policies, and statutory responsibilities through a variety of public participation and community engagement approaches.

The District undertakes public consultation in accordance with the International Association for Public Participation's (IAP2) guidelines. This reflects the Public Participation/Community Engagement Policy that is founded on the principles of inclusivity, transparency, accessibility, respect, and honesty.

## Public Participation Opportunities

- Council Meetings – petitions and delegations
- Committee of the Whole Meetings
- Special engagement opportunities such as surveys/open houses/etc.
- Writing to Council at any time
- Volunteer for a Select Committee
- Public Hearings – Advertised
- Development Variance Permits – Notifications to property owners
- Highlands Website and Newsflashes
- Highlands Newsletter (quarterly)
- Community Notice Boards
- Local elections

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
OBJECTIVES OF THE PUBLIC PARTICIPATION	• To provide balanced and objective information to support understanding by the public	• To obtain feedback on analysis, alternatives, issues and/or decisions	• To work with the public to ensure that concerns and aspirations are understood and considered	• To facilitate discussions and agreements between public parties to identify common ground for action and solutions	• To place final decision making in the hands of the public
DISTRICT OF HIGHLANDS COMMITMENT	• To inform the public by way of the District website, Highlands Newsletter or other social media opportunities	• To listen to and consider the public's concerns	• To work with the public to exchange information, ideas and concerns	• To seek advice and innovations from amongst various public parties	• To work with the public to implement agreed upon decisions
EXAMPLES OF ISSUES/TECHNIQUE THAT MIGHT FALL IN THESE CATEGORIES	• Repair or replace existing park asset • Open House • Notice of construction/repair	• Change of program format • Mapping Update • Capital project planning or designing	• New park asset such as new playground or new trail • Climate Change Adaptation Plan • Roadside Trail Network	• Strategic Plan • Integrated Community Sustainability Plan	• Referendum • Election/ by-election • Alternate approval process
PARTICIPANT'S RESPONSIBILITY	• To become informed	• To provide feedback	• To be open to other points of view and work with staff and other members of the public	• To put aside personal agendas and participate in discussions	• To work with staff to implement agreed upon decisions

2023 Engagement Activities Undertaken	
Community Boards	Newsletters
COTW & Council	Financial Plan
COTW	Secondary Suites/ADUs and South Highlands Local Area Plan (SHLAP)
COTW	Review of Community Hall Policies
Council	Annual Report
Council	Bukin Road Closure
Website	Climate Rebates and Incentives
Website	Municipal Updates

2024 Planned Engagement Activities	
Community Boards	Newsletters and other information as required
COTW & Council	Financial Plan
Council	Secondary Suites/ADUs Zoning Bylaw Amendments
Council	South Highlands Local Area Plan (SHLAP) OCP Amendments
COTW	Trails Masterplans
Council	Annual Report
COTW	Select Committee Terms of Reference Review
Website	Climate Rebates and Incentives

COTW = Committee of the Whole  
OCP = Official Community Plan  
ADUs = Accessory Dwelling Units

# ASSET MANAGEMENT

Asset Management is an integrated process bringing together planning, finance, engineering, and operations to effectively manage existing and new infrastructure to maximize benefits, reduce risks, and provide satisfactory levels of service to community users in a socially, environmentally, and economically sustainable manner. Assets included in Highlands' Plan are manufactured assets such as buildings and roads and will also include the District's groundwater natural aquifer asset. Additional natural assets will be incorporated as the Asset Management Plan progresses.

The District's Asset Management Plan outlines a long-term approach for capital renewal investment. An Asset Management Levy was introduced to the property tax notice in 2019 to provide clarity and transparency. This levy identifies the portion of the property taxes that are dedicated to infrastructure renewal. The accumulated asset management funds will need to increase over the next 10 to 15 year period to reach sustainable funding levels.

## Highlights of 2023 Accomplishments

- Advanced the Pavement Management Plan\*
- Continued integration of Asset Management Plan into operations
- Updated Reserves and Surplus Policy to include the Growing Communities Fund

\* Available at [www.highlands.ca/AgendaCenter/ViewFile/Item/4854?fileID=5025](http://www.highlands.ca/AgendaCenter/ViewFile/Item/4854?fileID=5025)

## Highlights of 2024 Planned Initiatives

- Continue culvert replacement and focus on culvert maintenance
- Continue pavement management and shouldering
- Continue ongoing road, facility, parks, and vehicle/equipment maintenance.
- Update the Asset Management Plan

Asset Management Comparators* (District-owned assets)	2023	2022	2021	2020	2019
Replacement cost	\$280 M	\$280 M	\$280 M	\$210 M	\$204 M
Average replacement cost/year	\$879,000	\$879,000	\$879,000	\$742,000	\$713,000
% funded currently by District	75%	75%	75%	54%	50%
Tax levy for asset management	1%	1%	1%	1%	1%

\* It is anticipated that the replacement costs within the Asset Management Plan will be updated every 2-4 years.



# INFRASTRUCTURE REPLACEMENT REPORT CARD

The District maintains basic levels of asset condition information ranging from formal groundwater monitoring, bridge condition engineering assessments, and road surface reviews during maintenance activities, to an informal annual assessment of equipment, playground structures, and buildings by District staff. Fire vehicles and equipment are appropriately maintained by the Fire Department. Scientifically rating every asset for a high-level Infrastructure Condition Report is unrealistic, so a simplified system is used for each asset component grouping. Assets are evaluated on a simplified component-by-component basis.

Although every rating system is subjective, this process serves to improve accuracy because it incorporates the anecdotal asset knowledge of employees and contractors. The District's approach combines Condition and Performance, Capacity Versus Need, and Funding Versus Need.

## DISTRICT OF HIGHLANDS INFRASTRUCTURE REPORT CARD

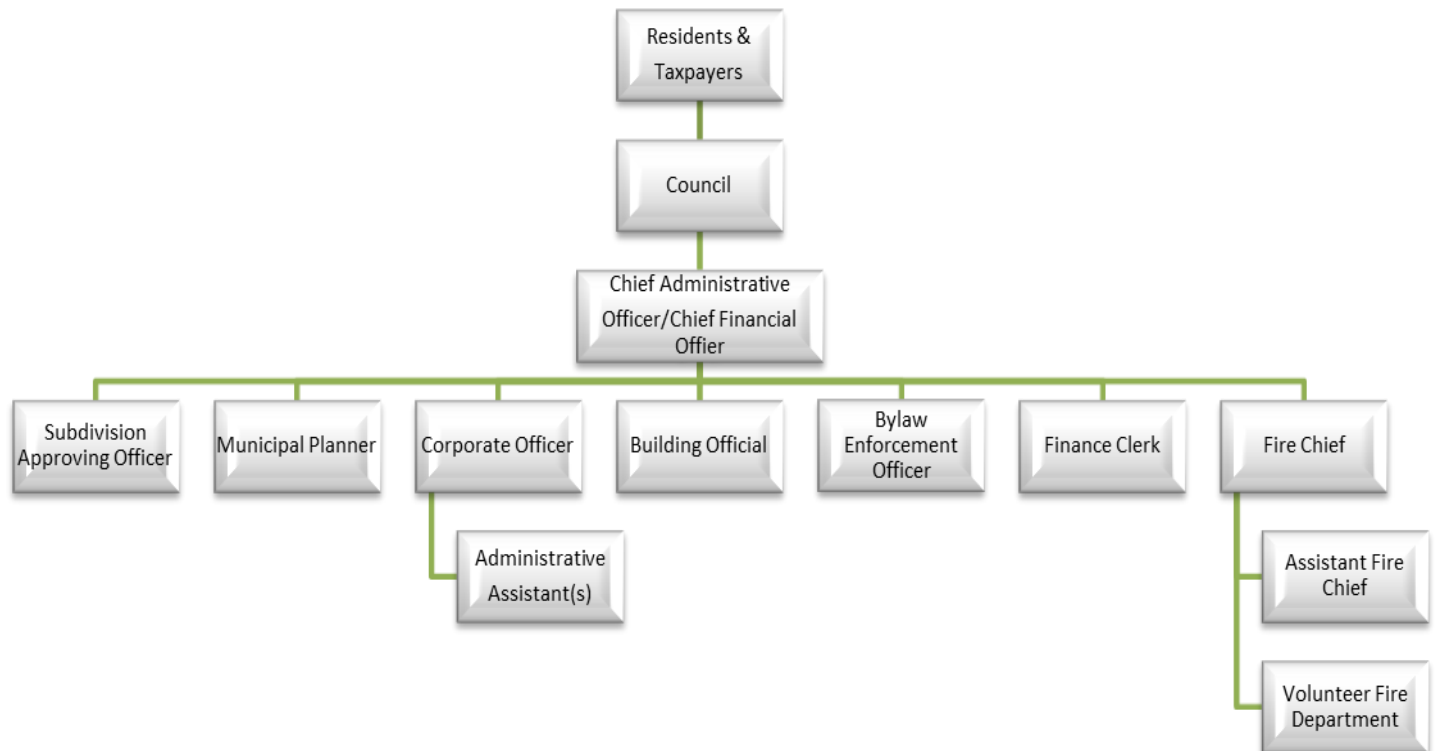
Asset Group	2023 Rating	2022 Rating	2021 Rating	Comments
Land	B	B	B	Good condition. No funding needed. Replacement not anticipated.
Groundwater Aquifer	B	B	B	Reasonable natural condition based on Golder Assessment. No funding needed.
Roads	C	C	C	Reasonable condition. Funding adequate.
Drainage	C	C	C	Reasonable condition in general, some replacement of culverts and deferred maintenance required. Funding increase needed.
Bridges	B	B	B	Good condition based on Herold Engineering Assessment. Funding increase needed.
Facilities	B	B	B	Reasonable condition. Funding needed for municipal and community facilities.
Park Improvements	B	B	B	Reasonable and natural condition. Modest increase in funding will maintain rating.
Vehicles and Equipment	B	B	B	Reasonable condition. Modest increase in funding will maintain rating.
Overall	B	B	B	Good rating. Funding needed.



# DISTRICT OF HIGHLANDS ORGANIZATIONAL CHART

## ORGANIZATIONAL STRUCTURE

Mayor and Council are responsible for setting the direction and establishing the strategic priorities for the District. The Chief Administrative Officer's responsibility is to ensure that direction is followed and to manage the affairs of the organization in accordance with the policies and programs approved by Council, the *Community Charter*, *Local Government Act*, and other relevant statutes and regulations.



# MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

Loranne Hilton

Contact: [lhilton@highlands.ca](mailto:lhilton@highlands.ca)

250-474-1773

It is my pleasure to present the District of Highlands' 2023 Annual Report. This report was prepared to highlight the work and achievements of the District in 2023, and lay out objectives for future initiatives, in alignment with the policies and directives of Municipal Council and its Strategic Plan. The Annual Report also contains information about the District's services and operations, along with the information on District finances.

Council adopted its 2023-2026 Strategic Plan early in 2023 following the General Local Election. Specific priorities that were accomplished were the adoption of secondary suite/additional dwelling unit regulations, a review and update of development application fees, a review of the District's participation in West Shore Parks and Recreation, construction of a pergola at the Community Hall to enhance rentals, and an Organizational Structure and Capacity Review was undertaken.



Many other projects and initiatives were also undertaken in 2023. Consistent with previous years, we remained focussed on asset management, improving our paved road system, replacing failing culverts, and continuing to work towards ensuring we have adequate funds to maintain our assets over the long term. We also improved our emergency services function through constructing a new dry hydrant for fire-fighting purposes on CRD land and procuring a generator for our East Fire Hall in part through a grant from UBCM to ensure continued operations in the event of an emergency. Accessibility legislation was responded to by embarking on a process to form the Capital West Accessibility Advisory Committee with some of our neighbouring local governments.

In addition to work on Council's Strategic Priorities and other larger initiatives, staff continued its ongoing service delivery to the community. It is this work that requires the vast majority of staff resources; you can find specific information on departmental responsibilities within the Annual Report.

Reflecting back on 2023, it was a busy year and much was accomplished. Staff appreciate the leadership and support from Council in carrying out our work, and I am proud to be a part of a professional staff team that has contributed to all the accomplishments mentioned above through dedication to public service.

Thank you to all our staff and volunteers, and service delivery partners for your work in contributing to the wonderful Highlands community.

Loranne Hilton,  
Chief Administrative Officer

A handwritten signature in blue ink that reads "Loranne Hilton".



# ADMINISTRATION DEPARTMENT

Melisa Miles, Corporate Officer

Contact: mmiles@highlands.ca

250-474-1773



Administration is led by the Chief Administrative Officer who provides guidance and direction to all departments and is Council's principal advisor. Administration also consists of the Corporate Officer, and two Administrative Assistants.

Administration provides legislative and administrative functions to support Council, its Select Committees, and the Corporation as a whole to ensure that statutory requirements are met and that Council policies, objectives, and directives are accomplished.

Some of the functions and activities that Administration leads include:

- Managing the municipal workforce efficiently.
- Organizing all meetings of Council, preparing agendas and minutes, and providing meeting management.
- Administering the Strategic Plan, Budget process and Financial Plan, and Annual Report Cycle.
- Coordinating internal and external corporate communications.
- Making recommendations on a broad range of policy and administrative matters.
- Drafting bylaws and policies and providing regulatory support to Council and staff.
- Executing legal documents on behalf of the District.
- Implementing and auditing the Records Management System.
- Processing requests for access to records and ensuring compliance with Freedom of Information and Protection of Privacy policies and legislation.
- Managing a variety of agreements and contracts for the District.
- Administering the quadrennial general local elections.

Highlights of 2023 Accomplishments	Highlights of Initiatives Planned in 2024
Implemented electronic meeting management software	Review Terms of Reference for Select Committees
Worked with partnering municipalities on creation of an Accessibility Advisory Committee	Update District Website and Implement District Facebook Page
Reviewed Code of Ethics Policy	Research Community Hall Management Options
Reviewed Participation in Westshore Parks and Recreation	Develop Privacy Management Program
Prepared statutorily required bylaws and reporting	Prepare statutorily required bylaws and reporting

Administration Comparators	2023	2022	2021	2020	2019
Agendas and Minutes Prepared*	45	41	41	36	51
Bylaws Adopted	7	4	7	9	7
Community Hall Rentals	83	45	0**	4**	20
Complaints Processed***	140	131	155	178	128
Council Resolutions	224	260	278	339	367
FOI Requests Received and Processed	8	5	3	4	0
Policies Amended or Developed	7	2	1	1	1
Public Occupancy Agreements Issued	4	4	4	6	5

\* Excludes closed meeting agendas

\*\*Rentals reduced due to pandemic

\*\*\* Totals not tracked prior to 2019

# BUILDING DEPARTMENT

Chris Leek, Building Inspector

Contact: cleek@highlands.ca

250-474-1773



The Building Department includes responsibility for the Approving Officer, Building Official, and Bylaw Enforcement Officer. All of these activities are undertaken by one municipal employee and augmented with contracted or temporary assistance as required.

The Building Department delivers a broad range of high quality services including:

- Performing pre-construction site assessments.
- Issuing building, plumbing, chimney, soil deposit and removal, tree cutting and blasting permits.
- Processing building applications and reviewing plans to ensure compliance with the B.C. Building Code, building regulations, and municipal bylaws and policies.
- Undertaking inspections at various stages of construction from foundation forms to final inspections and issuance of occupancy permits.
- Conducting site inspections to determine that permit conditions are satisfied.
- Coordinating subdivision activities including providing policy advice on proposals, reviewing completed applications, notifying applicants of deficiencies, and issuing approvals as the Approving Officer.
- Reviewing engineering servicing of subdivision and building permit applications.
- Conducting bylaw enforcement activities including investigation of violation complaints, enforcement action, consultation, coordination with other departments, and supervision of contracted services.
- Supervising the management of municipal trees, parks, trails, and facilities.
- Issuing permits for works proposed on municipal roads or property.
- Liaising with the roads contractor for road repairs, pavement management, shouldering work and culvert maintenance and replacements.
- Monitoring the winter phone for road safety calls.

## Highlights of 2023 Accomplishments

Continued culvert replacement and maintenance and paving management

Continued Implementing Facilities Management Plan and Maintenance Program

## Highlights of Initiatives Planned in 2024

Continue Facilities Management and Maintenance Program

Secondary suites bylaw implementation

Initiate Tree Bylaw Review

Space Assessment/Planning

Continue Pavement Management Plan, Shoulder/Ditch maintenance, and Bridge maintenance and replacement

Building Comparators	2023	2022	2021	2020	2019
Annual Construction Value	\$913,755	\$810,350	\$4,088,246	\$1,752,650	\$1,008,995
Annual Permit Value	\$20,970	\$19,472	\$86,550	\$37,685	\$23,715
Blasting Permits	5	5	17	10	7
Building Permits	28	18	43	34	19
Complaints & District Initiated Work Orders	140	131	155	178	128
Soil Deposit/Removal Permits	5	4	13	6	4
Tree Cutting Permits	9	7	32	15	23

# FINANCE DEPARTMENT

Loranne Hilton, Chief Administrative Officer, Chief Financial Officer

Contact:

lhilton@highlands.ca

250-474-1773



The Finance Department is responsible for providing financial management of the municipality, collecting revenues from property taxes, administering payroll and benefits, coordinating procurement, and overseeing information technology. Finance staff include the Chief Administrative Officer/Chief Financial Officer and a Finance Clerk.

Finance provides a wide range of financial services including:

- Preparing the annual budget and five-year Financial Plan.
- Coordinating audit services annually.
- Processing payments for property taxes, permits, rental fees, and other fees and charges.
- Implementing BCA ownership updates for property tax records.
- Managing the provision of fiscal services including debt-servicing costs, transfers to reserves, and contingency.
- Developing the long-term financial plan, asset management, and applicable policy development.
- Administering accounts payable and receivable.
- Providing management and support of information technology.
- Undertaking procurement of goods and services.
- Administering payroll and benefits.
- Conducting reconciliations and preparing payments to external agencies including the Municipal Pension Plan, Receiver General, WorkSafe BC, and Employer Health Tax.

## Highlights of 2023 Accomplishments

Information Technology Strategy Implementation

Organizational Structure & Capacity Review

Updated Development Application Fees Bylaw

## Highlights of Initiatives Planned in 2024

Begin Implementation of Organizational Structure & Capacity Review Recommendations

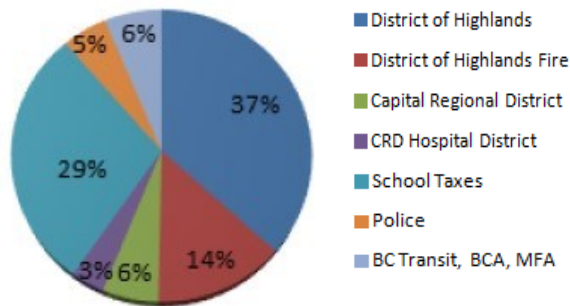
Continue IT Strategy Implementation

## 2023 Finance Statistics

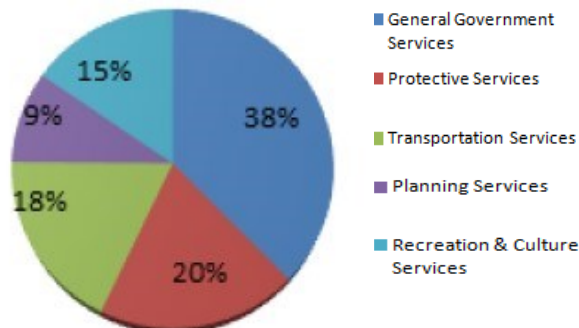
Accounts Payable	210
Bank Reconciliations	12
Municipal Pension Plan Reconciliations/Payments	25
Payroll Accruals/Benefits Reconciliation	25
Payrolls Processed	26
Property Tax Notices Levied	946
Receiver General Reconciliation/Payments	12
WorkSafe BC and Employer Health Tax Reconciliation/Payments	6

# PROPERTY TAX OVERVIEW

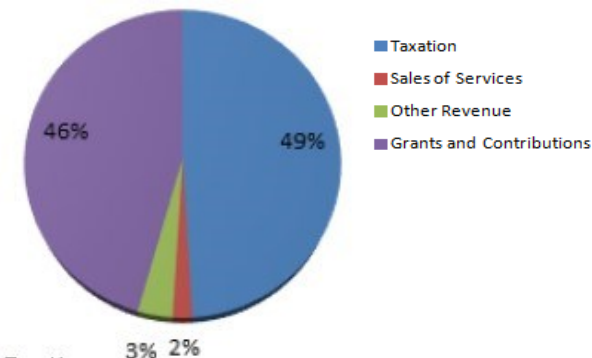
## WHERE YOUR TAX DOLLARS GO



## 2023 OPERATING EXPENSES



## 2023 OPERATING REVENUES



The following example illustrates the property taxes collected in 2023 based on the average residential assessment. Taxes collected on behalf of other public agencies are also included.

Average Residential Assessment: \$1,380,968	
Municipal Taxes	
General	\$1,447
Asset Management	\$164
Specified Area Fire Protection	\$597
<b>Total Highlands Taxes:</b>	<b>\$2,208</b>
Other Taxing Agencies	
School	\$1,530
Capital Regional District	\$293
Regional Hospital	\$178
Regional Transit, BC Assessment, Municipal Finance Authority	\$288
Police Services	\$248
<b>Total Taxes Collected for Other Agencies:</b>	<b>\$2,537</b>

# FINANCIAL PLAN OVERVIEW

District of Highlands	Consolidated Five Year Financial Plan				
	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget
<b>Operating Revenues</b>					
Taxation	2,505,100	2,639,500	2,788,600	2,930,000	3,046,900
Sales of Services	98,500	97,900	98,000	98,100	98,200
Other Revenue	175,300	178,300	178,300	178,300	178,300
Grants and Contributions	2,327,800	675,300	607,000	614,000	616,000
<b>Total Operating Revenues</b>	<b>5,106,700</b>	<b>3,591,000</b>	<b>3,671,900</b>	<b>3,820,400</b>	<b>3,939,400</b>
<b>Operating Expenses</b>					
General Government Services	1,093,200	1,071,500	1,072,100	1,081,100	1,122,300
Protective Services	568,400	575,200	551,700	561,600	575,900
Transportation Services	524,300	398,900	404,700	418,600	427,000
Planning Services	273,700	275,000	283,800	288,300	295,200
Recreation and Cultural Services	450,300	461,400	456,600	469,900	483,600
<b>Total Operating Expenses</b>	<b>2,909,900</b>	<b>2,782,000</b>	<b>2,768,900</b>	<b>2,819,500</b>	<b>2,904,000</b>
<b>Net from Operations</b>	<b>2,196,800</b>	<b>809,000</b>	<b>903,000</b>	<b>1,000,900</b>	<b>1,035,400</b>
<b>Add</b>					
Reserves Used for Operating Projects	327,000	130,000	30,000	-	-
Equity for Amortization	875,800	875,800	875,800	875,800	875,800
Reserves Used for Capital	932,000	420,000	978,000	475,000	340,500
Proceeds of Debt	-	-	-	-	-
<b>Deduct</b>					
Capital Expenses	932,000	420,000	978,000	475,000	340,500
Amortization Expense	875,800	875,800	875,800	875,800	875,800
Transfer to Reserves	2,462,900	878,100	889,400	957,300	991,800
Debt Servicing	60,900	60,900	43,600	43,600	43,600
<b>Total Budget for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The 2023 Budget provided for the continuation of services expected by the community and policy direction of Council. In addition, funding was provided for key projects and initiatives to move strategic priorities of Council forward including Groundwater Protection, South Highlands Local Area Plan, Climate Leadership Plan initiative (secondary suites/additional dwelling units), and Emergency Program Strategic Plan implementation. The Financial Plan also incorporated Council's approved Asset Management Plan, Reserves & Surplus Policy direction and Taxation Policy in accordance with the District's Long Term Financial Plan.

The introduction of Paid On Call Firefighter funding was implemented and was offset by a reduction in the transfer to reserves for asset replacement to maintain the property tax impact within policy adopted for 2023. The reserves were considered in a healthy position for the future.

The District's Asset Management Plan outlines a long-term approach for capital renewal investment funded by the District's Infrastructure Renewal Levy, which was introduced in 2019. To be sustainable in the long term this is projected to continue increasing by the equivalent of a minimum 1% property taxation increase to the average homeowner each year. The 2023 budget reflected a combined increase in Municipal, Fire and Infrastructure property taxes to the average homeowner of 4.9% which compared favorably with other local communities and the inflation rate being experienced.

Council considers requests for funding for the provision of programs and services to the community through the District's annual Grant in Aid process. Applications are awarded based on the set priority for grant funding and in accordance with the Grant in Aid Policy. Additionally, Council has the authority to exempt property taxes on properties that are held by charitable, philanthropic, or other not-for-profit corporations.

In 2019, Council established a Tax Exemption Policy where Council may consider Permissive Tax Exemptions that support environmental preservation in the community. This triggers an exemption from municipal taxes as well as other taxing authorities.

Grants in Aid and Property Tax Exemption Comparators	2023	2022	2021	2020	2019
Grants in Aid	\$14,332	\$14,200	\$14,350	\$13,200	\$13,000
Permissive Tax Exemptions	\$49,345	\$41,745	\$32,416	\$30,038	\$16,224

# FIRE SERVICES & EMERGENCY PROGRAM

Dean Ford, Fire Chief

Contact: [firechief@highlands.ca](mailto:firechief@highlands.ca)

250-920-6970



Fire Services is led by the District's Fire Chief and includes the Highlands Volunteer Fire Department and the Emergency Program. There are 31 volunteers operating out of two fire halls. The main priority is to enhance fire protection and public safety services and prevent the loss of life and property.

Members of the Highlands Volunteer Fire Department are required to respond to a wide range of incident types including:

- Assist BC Ambulance Service
- Brush fires
- Burn complaints
- Chimney fires
- High angle rescue
- Hydro fire
- Hydro line emergencies
- Landfill fire
- Medical emergencies
- Motor vehicle incidents
- Mutual aid calls
- Rope/Animal rescue
- Structure fires
- Vehicle fires
- Other calls for assistance

The Emergency Program assists the District by preparing and planning to mitigate, prevent, prepare for, respond to, and recover from significant emergency events and natural disasters within the community.

The District's Emergency Response Plan can be accessed online from [www.highlands.ca/DocumentCenter/View/6897/Highlands-Emergency-Response-Plan---2018](http://www.highlands.ca/DocumentCenter/View/6897/Highlands-Emergency-Response-Plan---2018) and the Highlands Emergency Response Program Strategic Plan is available at [www.highlands.ca/DocumentCenter/View/7183/Highlands-Emergency-Strategic-Plan---Feb\\_2019](http://www.highlands.ca/DocumentCenter/View/7183/Highlands-Emergency-Strategic-Plan---Feb_2019).

## Highlights of 2023 Accomplishments

Completed Installation of Pease Lake Dry Hydrant

East Fire Hall Generator Installed

Completed Regional Evacuation Exercise

Integrated Alertable Emergency Alerts with District Website

## Highlights of Initiatives Planned in 2024

Updating Emergency program to align with New Emergency Disaster Management Act ( EDMA)

District Business Continuity Plan

Training Center upgrades at East Hall underway

Installation of an NRCAN Early Earthquake warning sensor at East Hall

Update bylaws for water supply for firefighting and emergency vehicle turnarounds

Upgrade culvert and parking lot at West Fire Hall

Purchase of Forestry equipment

Indigenous Engagement Consultation on DOH emergency plan

Fire Services & Emergency Program Comparators	2023	2022	2021	2020	2019
Burn Permits Issued	944	1556	867	629	247*
Fire Dispatches	110	122	116	134	118

\* Burn Permits moved to an online process in October 2019 so this number only represents partial total for the year

# PLANNING DEPARTMENT

Laura Beckett

Contact: lbeckett@highlands.ca

250-474-1773



The Planning Department works collaboratively with other municipal staff, residents, applicants, stakeholders, and other levels of government within established policies to advise Council on land use and policy matters in the District. Planning is responsible for long-range land use planning that protects water resources and the environment, and enhances rural values. In addition, staff completes special projects and processes land use applications in accordance with District policies.

Planning undertakes the following functions:

- Processing and managing Official Community Plan (OCP) amendments, rezoning applications, development permits, development variance permits, the heritage registry, and ensuring bylaw and other regulatory compliance.
- Reviewing and developing policies consistent with the OCP, Zoning Bylaw, and Subdivision Bylaw.
- Responding to questions regarding environmentally sensitive development permit areas, future development potential, and zoning of land and land use matters.
- Providing technical and professional support to the Heritage Select Committee, Sustainable Land Use Select Committee, and the South Highlands Local Area Plan Task Force.
- Participating in external bodies representing regional matters of concern.
- Managing special projects such as the South Highlands Local Area Plan and the Groundwater Protection Work Plan.
- Providing support for subdivision services.

## Highlights of 2023 Accomplishments

Completed South Highlands Local Area Plan

Began work on OCP amendment to include South Highlands Local Area Plan

Completed Secondary Suites / Accessory Dwelling Units Project

## Highlights of 2024 Planned Initiatives

Complete OCP amendment to include South Highlands Local Area Plan

Complete other bylaws' amendments for secondary suite/accessory dwelling unit regulation

Bring District regulations into compliance with Provincial Housing Initiatives/Legislation

Bring forward informational high-level report to Council regarding directions in 2002 Trails Master Plan and 2010 Roadside Trail and Cycle Network Plan

Planning Comparators	2023	2022	2021	2020	2019
Covenant Amendments Approved	0	0	0	2	0
Development Permits Issued	11	6	25	15	12
Development Variance Permits Issued	0	2	6	3	4
OCP Amendments/Rezoning Applications Active	4	1	1	0	0
Subdivision Applications	2	1	1	1	1
Temporary Commercial/Industrial Use Permits Approved	0	1	0	0	1

# POLICE SERVICES

## West Shore RCMP

Non-Emergency Number: 250-474-2264 [www.rcmp-grc.gc.ca/detach/en/d/159](http://www.rcmp-grc.gc.ca/detach/en/d/159)

The West Shore RCMP provides policing services to five municipalities including the District of Highlands, City of Langford, Town of View Royal, City of Colwood, and District of Metchosin. The detachment located at 698 Atkins Avenue provides diverse policing services to the West Shore communities as well as the Esquimalt and Songhees Nations and portions of the Malahat.

In 2023, there were 119 sworn officers, 5 reserve constables, 10 commissioners, and 46 civilian personnel who staffed West Shore RCMP. Together they handled 26,618 service calls, an average of 73 calls per day.

West Shore RCMP also supports and works in conjunction with the Vancouver Island Integrated Major Crime Unit (VIIMCU), Forensic Identification Services (FIS), the Regional Domestic Violence Unit (RDVU), the Integrated Mobile Crisis Response Team (IMCRT) and the Mobile Youth Services Team (MYST).

Local policing priorities are established annually in consultation with elected officials and staff at the five municipalities and representatives from the First Nations Reserves.

The 6 key priorities identified for 2023 / 2024 were Serious & Organized Crime and Drug Trafficking, Enhancing Road Safety, Enhancing Relationships with Indigenous Communities, Mental Health and Youth Crime (Prevention & Education).

For more information, please visit <https://www.rcmp-grc.gc.ca/detach/en/d/159>.

Police Services Metrics Comparators	2023	2022	2021	2020	2019
Incidents reported for District of Highlands	317	274	340	335	342

West Shore RCMP Top Five Service Calls Annual Comparison				
2023	2022	2021	2020	2019
Traffic Incident	Traffic Incident	Traffic Incident	Traffic Incident	Traffic Incident
Check Wellbeing	Check Wellbeing	Property	Breach	Breach
Assist Police/Fire/ Ambulance	Assist Police/Fire/ Ambulance	Assist Police/Fire/ Ambulance	Check Wellbeing	Assist Police/Fire/ Ambulance
Breach	Breach	Theft	Assist Police/Fire/ Ambulance	Check Wellbeing
Property	Property	Motor Vehicle Incident	Property	Property

# RECREATIONAL SERVICES AND MUNICIPAL PARKS

## MUNICIPAL PARKS

The District of Highlands places a high value on green space, trail systems, and outdoor recreational opportunities. Highlands is committed to preserving large areas of green space, protecting elements of the region's ecosystems, and providing outdoor recreational opportunities for Capital Regional District residents and visitors.

Twinflower Park has a playground, non-regulation size ball field, a bicycle jump park, and horse riding ring.

Eagles Lake Park features a small swimming beach and picnic area that is supplied with fresh sand each summer. There is a cob washroom with a composting toilet and living roof that was built by volunteers.

In addition, Gowlland Tod Provincial Park, Mount Work Regional Park, Thetis Lake Regional Park, and Lone Tree Hill Regional Park are located within the municipality. These parks are managed by BC Parks Services and the Capital Regional District.

## RECREATION SERVICES

### **WEST SHORE PARKS AND RECREATION | 250-478-4384 | [WWW.WESTSHORERECREATION.CA](http://WWW.WESTSHORERECREATION.CA)**

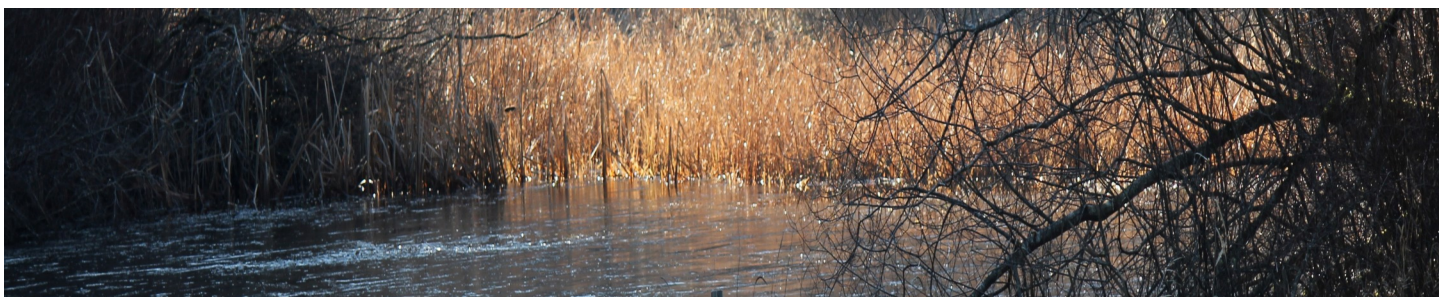
The District of Highlands is a joint owner of the West Shore Parks and Recreation Centre. West Shore Parks and Recreation's mission includes providing diverse and accessible recreational and sport opportunities that offer West Shore residents excellent experiences for healthy lifestyles. They offer a wide variety of services and programs for all ages and abilities. Amenities include exercise facilities, a swimming pool, indoor and outdoor playing fields, ice rinks, numerous sport courts, a golf course, and more. West Shore Parks and Recreation is governed by the West Shore Parks and Recreation Society's Board of Directors comprised of representatives from the joint owner municipalities. Each municipality provides financial support toward the operation of the parks and recreation facilities through an annual tax requisition.

## LIBRARY SERVICES

### **GREATER VICTORIA PUBLIC LIBRARY JUAN DE FUCA BRANCH 250-940-4875 | [WWW.GVPL.CA/BRANCHES-HOURS/JUAN-DE-FUCA-BRANCH/](http://WWW.GVPL.CA/BRANCHES-HOURS/JUAN-DE-FUCA-BRANCH/)**

The District of Highlands is also a member of the Greater Victoria Public Library (GVPL) system. Library services are primarily provided to Highlands residents by the Juan De Fuca Branch located at 1759 Island Highway. The District is a co-owner of the Juan de Fuca Branch building in collaboration with the Cities of Colwood and Langford and the District of Metchosin.

The Juan de Fuca Branch is the largest of the three West Shore GVPL branches and offers a variety of general interest programs for all ages.



# FINANCIAL STATEMENTS

For the year ended December 31, 2023



Consolidated Financial Statements of

# **DISTRICT OF HIGHLANDS**

Year ended December 31, 2023

# DISTRICT OF HIGHLANDS

## Consolidated Financial Statements

Year ended December 31, 2023

### Index:

Management's Responsibility for the Consolidated Financial Statements	1
Independent Auditor's Report	2
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Change in Net Financial Assets	7
Consolidated Statement of Cash Flows	8
Notes to Consolidated Financial Statements	9

## **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 applicable legislation, and in accordance with public sector accounting standards for local governments established by the Chartered Professional Accountants of Canada. 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 Auditor's 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**

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

## **INDEPENDENT AUDITOR'S REPORT**

*To the Mayor and Councillors of the District of Highlands*

### ***Opinion***

We have audited the consolidated financial statements of the District of Highlands (the "District"), which comprise:

- the consolidated statement of financial position as at end of December 31, 2023
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2023 and its consolidated results of operations, 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.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



*District of Highlands*

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the District's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



*District of Highlands*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a horizontal line.

Chartered Professional Accountants

Victoria, Canada  
May 7, 2024

# DISTRICT OF HIGHLANDS

## Consolidated Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022
<b>Financial assets:</b>		
Cash and cash equivalents	\$ 9,501,495	\$ 7,432,546
Term deposits	81,000	-
Accounts receivable (note 3)	123,751	113,995
Taxes receivable	70,809	45,500
Restricted cash	35,728	32,018
	<u>9,812,783</u>	<u>7,624,059</u>
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities	786,931	666,494
Security deposits	61,185	79,380
Accrued payroll expenses	11,158	10,358
Deferred revenue (note 4)	208,901	199,280
Long-term debt (note 5)	188,827	284,223
Asset retirement obligation (note 6)	69,109	-
	<u>1,326,111</u>	<u>1,239,735</u>
<b>Net financial assets</b>	<b>8,486,672</b>	<b>6,384,324</b>
<b>Non-financial assets:</b>		
Tangible capital assets (note 7)	37,319,312	37,202,518
Prepaid expenses	8,346	7,805
	<u>37,327,658</u>	<u>37,210,323</u>
Commitments and contingencies (note 12)		
<b>Accumulated surplus (note 8)</b>	<b>\$ 45,814,330</b>	<b>\$ 43,594,647</b>

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the District:



Chief Administrative Officer - Treasurer

# DISTRICT OF HIGHLANDS

## Consolidated Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Financial plan (note 13)	2023	2022
<b>Revenue:</b>			
Taxation, net (note 9)	\$ 2,500,700	\$ 2,487,587	\$ 2,396,577
Government transfers (note 10)	2,317,068	2,336,572	727,614
Sale of services	5,500	8,217	232,944
Other	314,792	380,034	94,513
Licenses, permits and other	97,500	98,519	76,096
Investment income	162,000	445,206	145,180
Actuarial adjustment on debt	-	34,511	30,992
	5,397,560	5,790,646	3,703,916
<b>Expenses:</b>			
General government services	1,093,200	979,227	938,234
Protective services	679,400	596,290	535,553
Transportation services	1,258,600	983,281	1,065,269
Environmental development services	273,700	217,735	200,317
Recreation and cultural services	791,871	794,430	680,180
	4,096,771	3,570,963	3,419,553
Annual surplus	1,300,789	2,219,683	284,363
Accumulated surplus, beginning of year	43,594,647	43,594,647	43,310,284
Accumulated surplus, end of year	\$ 44,895,436	\$ 45,814,330	\$ 43,594,647

The accompanying notes are an integral part of these consolidated financial statements.

# DISTRICT OF HIGHLANDS

## Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2023, with comparative information for 2022

	Financial plan (note 13)	2023	2022
Annual surplus	\$ 1,300,789	\$ 2,219,683	\$ 284,363
Acquisition of tangible capital assets	(948,092)	(906,339)	(457,965)
Asset retirement obligations	-	(66,181)	-
Amortization of tangible capital assets	875,800	900,213	879,193
Change in West Shore tangible capital assets	-	(44,487)	(71,680)
	1,228,497	(116,794)	349,548
Change in prepaid expenses	-	(541)	(859)
Change in net financial assets	1,228,497	2,102,348	633,052
Net financial assets, beginning of year	6,384,324	6,384,324	5,751,272
Net financial assets, end of year	\$ 7,612,821	\$ 8,486,672	\$ 6,384,324

The accompanying notes are an integral part of these consolidated financial statements.

# DISTRICT OF HIGHLANDS

## Consolidated Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
<b>Operating activities:</b>		
Annual surplus	\$ 2,219,683	\$ 284,363
Items not involving cash:		
Amortization of tangible capital assets	900,213	879,193
Accretion expense	2,928	-
Change in West Shore	(44,487)	(71,680)
Actuarial adjustment on debt	(34,511)	(30,992)
Changes in non-cash operating assets and liabilities:		
Accounts receivable	(9,756)	62,032
Taxes receivable	(25,309)	123,129
Restricted cash	(3,710)	(4,312)
Accounts payable and accrued liabilities	120,437	164,911
Accrued payroll expenses	800	(2,390)
Security deposits	(18,195)	13,501
Deferred revenue	9,621	50,392
Prepaid expenses	(541)	(859)
	3,117,173	1,467,288
<b>Capital activities:</b>		
Acquisition of tangible capital assets	(906,339)	(457,965)
	(906,339)	(457,965)
<b>Investing activities:</b>		
Purchase of term deposits	(81,000)	-
<b>Financing activities:</b>		
Debt repaid	(60,885)	(60,884)
Increase (decrease) in cash and cash equivalents	2,068,949	948,439
Cash and cash equivalents, beginning of year	7,432,546	6,484,107
Cash and cash equivalents, end of year	\$ 9,501,495	\$ 7,432,546
<b>Supplemental cash flow information:</b>		
Cash paid for interest	\$ 26,744	\$ 29,854
Cash received from interest	445,206	11,727

The accompanying notes are an integral part of these consolidated financial statements.

# DISTRICT OF HIGHLANDS

## Notes to Consolidated Financial Statements

Year ended December 31, 2023

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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 of the Chartered Professional Accountants of Canada. 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 include the District's proportionate interest in West Shore Parks and Recreation Society ("West Shore"), a government partnership 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 without stipulations restricting their use are recognized in the financial statements as revenue in the period in which the transfers are authorized, any eligibility criteria are met, and reasonable estimates of the amounts can be made. Government transfers with stipulations restricting their use are recognized in the financial statements as revenues in the period in which the eligible expenditures are incurred, providing they are authorized and eligibility criteria are met.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### (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, thereby extinguishing the related liability.

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) Property tax revenue:

Property tax revenue is recognized on the accrual basis using the approved mill rates and the anticipated assessment related to the current year.

### (f) 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.

### (g) Cash and cash equivalents:

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

### (h) Long-term debt:

Long-term debt is recorded net of related payments and actuarial earnings.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 1. Significant accounting policies (continued):

### (i) 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 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.

### (j) 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:

Asset	Useful life - years
Park improvements	15 - 40
Buildings	25 - 40
Vehicles	5 - 25
Engineering structures	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.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### (j) Non-financial assets (continued):

#### (i) Tangible capital assets (continued):

The District is fortunate to have many natural assets that reduce the need for built infrastructure that would otherwise be required. This includes the Wark-Colquitz aquifer (water storage and filtration), creeks, ditches and forestlands (rain water management) and the foreshore area (natural seawall). Canadian public-sector accounting standards do not allow for the valuation and recording of such assets into the financial statements of the District. As such, these natural assets are not reported in these financial statements. Nevertheless, the District acknowledges the importance of these assets and the need to manage them in conjunction with built infrastructure.

#### (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.

#### (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.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 1. Significant accounting policies (continued):

### (k) Contaminated sites:

The District records a liability in its financial statements when contamination on non-active property exceeds an accepted environmental standard and the District is directly responsible, or accepts responsibility for, the damage. The liability is measured at the District's best estimate of the costs directly attributable to remediation of the contamination. No contaminated sites liabilities have been recorded in these financial statements.

### (l) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability for the removal of assumed asbestos and lead paint in several of the buildings owned by the District has been recognized based on estimated future expenses on closure of the site and post-closure care. Under the prospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. Assumptions used in the subsequent calculations are revised yearly.

The liability is discounted using a present value calculation and adjusted yearly for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The buildings capital assets affected by the assumed asbestos and lead paint liability are being amortized with the building following the depreciation accounting policies in note 1(j(i)).

### (m) Financial instruments:

The District's financial instruments consist of cash, term deposits, accounts and taxes receivable, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the District's is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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## 1. Significant accounting policies (continued):

### (m) Financial instruments (continued):

Financial instruments are recorded at fair value on initial recognition. Equity instruments quoted in an active market and derivatives are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently recorded at cost or amortized cost unless the District elects to carry the financial instrument at fair value. The District has not elected to carry any other financial instruments at fair value.

Unrealized changes in fair value are recognized in the Statement of Remeasurement Gains and Losses. They are recorded in the Statement of Operations when they are realized. There are no unrealized changes in fair value in the years presented; as a result, the District does not have a Statement of Remeasurement Gains and Losses.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments subsequently measured at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost are included in the cost and amortized using the effective interest rate method.

Long-term debt is recorded net of repayments and actuarial adjustments.

### (n) 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. 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, contaminated sites, amounts to settle asset retirement obligations and contingent liabilities. Actual results could differ from these estimates.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 2. Change in accounting policies:

### (a) Financial Instruments:

On January 1, 2023, the District adopted Public Sector Accounting Standards PS 3450 - *Financial Instruments* and PS 2601 *Foreign Currency Translation*. The standards were adopted prospectively from the date of adoption. The new standards provide comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments.

Under PS 3450, all financial instruments, including derivatives, are included on the statement of financial position and are measured either at fair value or amortized cost based on the characteristics of the instrument and the District's accounting policy choices (see note 1(m)).

The adoption of this new standard did not result in changes to previously reported amounts in the financial statements.

### (b) Asset retirement obligations:

On January 1, 2023, the District adopted Public Sector Accounting Standard PS 3280 *Asset Retirement Obligations*. This new standard establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets. The District has chosen prospective application of this standard.

In accordance with provisions of this new standard, the District recognized an increase in tangible capital assets and an asset retirement obligation liability at January 1, 2023 of \$66,181.

## 3. Accounts receivable:

	2023	2022
Amenities receivable	\$ 8,536	\$ 6,091
Grants receivable	25,000	30,569
GST receivable	60,102	46,211
Trade receivables	30,113	31,124
	<u>\$ 123,751</u>	<u>\$ 113,995</u>

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 4. Deferred revenue:

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

		2023	2022
Prepaid taxes and other	\$	135,879	\$ 124,060
West Shore		73,022	75,220
Total deferred revenue	\$	208,901	\$ 199,280

## 5. Long-term debt:

- (a) The District issues debt instruments through the MFA, pursuant to security issuing bylaws under authority of the Community Charter, to finance certain capital expenditures. The debt is issued on a sinking fund basis, whereby MFA invests the District's principal payments so that the payments, plus investment income, will equal the original outstanding debt amount at the end of the repayment period. Actuarial earnings on debt represent forgiveness of debt by the MFA using surplus investment income generated by the principal payments. Gross amount of debt and the amount of the principal payments and actuarial earnings are as follows:

MFA issue #	Bylaw #	Purpose	Maturity date	Original issued amount	Principal payments and actuarial earnings	Interest rate	Balance 2023	Balance 2022
		West Shore						
81	186	arena	2024	\$ 571,021	\$ 545,611	2.9%	\$ 25,410	\$ 68,362
139	382	Fire hall bay and tender	2026	500,000	336,583	2.1%	163,417	215,861
				\$1,071,021	\$ 882,194		\$ 188,827	\$ 284,223

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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

- (b) Principal payments and estimated actuarial earnings on long-term debt for the next four years are as follows:

2024	\$	94,896
2025		55,251
2026		38,680
Total		188,827

- (c) Interest expense:

Total interest expense on long-term debt during the year was \$26,774 (2022 - \$26,774). West Shore arena interest on debt is reduced by a subsidy from West Shore Parks and Recreation Society.

## 6. Asset retirement obligation:

The District owns and operates several buildings that are assumed to have asbestos and lead paid, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS3280 - *Asset Retirement Obligations*, the District recognized an obligation relating to the removal of hazardous materials in these building as estimated at January 1, 2023. The District has adopted the standard prospectively. Under the prospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. Estimated costs have been discounted to the present value using a discount rate of 4.53% per annum.

The transition and recognition of asset retirement obligations involved an accompanying increase to the buildings capital assets. The increase in capital assets is amortized on a straight-line basis over the remaining expected useful life of the related assets.

Asset retirement obligation		2023
Balance, beginning of year	\$	-
Adjustment on adoption of PS 3280		66,181
Accretion expense		2,928
Balance, end of year	\$	69,109

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 7. Tangible capital assets:

		Land	Park improvements	Buildings	Vehicles and equipment	Engineering structures	Assets under construction	Total 2023	Total 2022
<b>Cost:</b>									
Balance, beginning of year	\$	9,795,876	470,845	5,679,799	2,908,007	37,941,835	49,580	56,845,942	56,320,811
Additions: purchases		-	-	119,571	126,601	602,542	57,625	906,339	457,965
Additions: asset retirement obligations		-	-	66,181	-	-	-	66,181	-
Disposals, transfers and change in cost share		-	-	69,147	(20,500)	7,819	(14,419)	42,047	67,166
Balance, end of year		9,795,876	470,845	5,934,698	3,014,108	38,552,196	92,786	57,860,509	56,845,942
<b>Accumulated amortization:</b>									
Balance, beginning of year		-	130,555	1,367,231	1,353,694	16,791,944	-	19,643,424	18,768,745
Disposals and change in cost share		-	-	19,022	(21,462)	-	-	(2,440)	(4,514)
Amortization		-	7,963	135,909	123,601	632,740	-	900,213	879,193
Balance, end of year		-	138,518	1,522,162	1,455,833	17,424,684	-	20,541,197	19,643,424
Net book value, end of year	\$	9,795,876	332,327	4,412,536	1,558,275	21,127,512	92,786	37,319,312	37,202,518

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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## 7. Tangible capital assets (continued):

### (a) Assets under construction:

As at December 31, 2023 there was \$92,786 of assets under construction yet to be amortized (2022 - \$49,580). Amortization of assets commences when the assets are available for service.

### (b) Contributed tangible capital assets:

There were no contributed assets recognized during the year (2022 - nil).

### (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) Disposals and write-down of tangible capital assets:

During the year the District disposed of \$26,051 of fully amortized equipment (2022 - \$39,724). No write-down of tangible capital assets occurred during the year.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 8. Accumulated surplus:

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

	2023	2022
<b>Surplus:</b>		
Equity in tangible capital assets	\$ 37,061,376	\$ 36,918,295
Operating	1,666,229	1,665,880
	<u>38,727,605</u>	<u>38,584,175</u>
<b>Reserve funds set aside for specific purposes by Council:</b>		
Fire capital works and equipment	1,385,780	1,069,678
Park acquisition/development	41,464	31,318
Roads reserve	1,204,237	1,087,753
General reserve for future expenditures	355,713	328,447
Land sales	118	112
Capital works	296,367	234,063
West Shore reserves	48,970	48,970
Library major asset maintenance	19,464	16,245
Gas Tax Agreement funds	501,311	320,019
Community hall	162,281	154,857
Snow reserve	132,439	125,824
Financial stability reserve	645,960	450,574
Bridge replacement reserve	67,951	50,306
Groundwater and drainage reserve	306,773	248,699
Heritage structure reserve	55,908	77,692
Growing Communities Fund	1,121,772	-
Park facilities replacement	124,677	103,250
COVID-19 Restart Grant	548,249	602,962
Climate resiliency reserve	67,291	59,703
	<u>7,086,725</u>	<u>5,010,472</u>
	<u>\$ 45,814,330</u>	<u>\$ 43,594,647</u>

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 9. Taxation:

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

	2023	2022
General tax levy	\$ 5,081,489	\$ 4,762,243
1% utility taxes	40,577	38,884
	5,122,066	4,801,127
Less taxes levied for other authorities:		
School authorities	1,626,090	1,499,760
Police tax	245,297	196,605
Capital Regional District	283,235	281,096
Capital Regional Hospital District	171,309	169,194
BC Assessment Authority	46,433	42,695
BC Transit	261,841	214,959
Municipal Finance Authority	274	241
	2,634,479	2,404,550
	\$ 2,487,587	\$ 2,396,577

## 10. Government transfers:

The District recognizes government transfers as revenues in the period the transfers are authorized and any eligibility criteria and stipulations have been met. The government transfers reported on the consolidated statement of operations are:

	2023	2022
Small communities and equalization payments	\$ 387,000	\$ 493,000
Federal Gas Tax Agreement	162,999	155,807
Growing Community Fund	1,661,000	-
Other	125,573	78,807
	\$ 2,336,572	\$ 727,614

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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## 11. Pension plan:

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The District paid \$58,844 (2022 - \$56,488) for employer contributions while employees contributed \$54,420 (2022 - \$52,241) to the plan in fiscal 2023.

The next valuation will be as at December 31, 2024, with results available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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## 12. 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.
- (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 other assets 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, 2023 there were contingent demand notes of \$38,858 (2022 - \$38,858) which are not included in the financial statements of the District.
- (d) The District is self-insured through membership in the Municipal Insurance Association of British Columbia. Under this program, member municipalities are to share jointly for general liability claims against any member in excess of \$5,000. Should the Association pay out claims in excess of premiums received, it is possible that the District, along with the other participants, would be required to contribute towards the deficit.
- (e) The District entered into a contract with Victoria Contracting and Municipal Maintenance Corporation in relation to the Highway Maintenance contract. The agreement is from October 1, 2019 to March 31, 2024 for a total commitment of \$157,000 per annum.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 13. Financial plan data:

The financial plan data presented in these consolidated financial statements is based upon the 2023 operating and capital budgets approved by Council on May 9, 2022, adjusted to reflect the West Shore proportionately consolidated budgeted revenues and expenses. The chart below reconciles the approved financial plan to the financial plan figures reported in these consolidated financial statements.

	Financial plan amount
Revenues:	
Financial plan, as approved by Council	\$ 5,106,700
West Shore	290,860
	5,397,560
Expenses:	
Financial plan, as approved by Council	3,785,700
West Shore	311,071
	4,096,771
Annual deficit	\$ 1,300,789

## 14. 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") in 2002: City of Langford, City of Colwood, District of Highlands, District of Metchosin, Town of View Royal and the CRD (on behalf of a portion of the Juan de Fuca Electoral Area). Effective January 1, 2018, the Juan de Fuca Electoral Area withdrew as 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 2023, the District's share of improvements purchased by West Shore on its behalf are \$69,987 (2022 - \$21,925).

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 2023, there was an increase to the District's cost share of \$43,525 (2022 - \$70,122).

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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

### (a) Capital asset transfer (continued):

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

Financial results and financial plan for West Shore are consolidated into the District's financial statements proportionately, based on the cost sharing formula outlined in the Members' Agreement. In 2023, the District's proportion for consolidation purposes was 3.60% (2022 - 3.51%).

### (b) Condensed financial information for West Shore:

	2023	2022
Financial assets	\$ 5,775,508	\$ 5,425,730
Financial liabilities	3,555,603	3,297,679
Net financial assets	2,219,905	2,128,051
Non-financial assets	1,673,134	1,153,172
Accumulated surplus	\$ 3,893,039	\$ 3,281,223
Revenues	\$ 9,659,065	\$ 7,316,425
Requisition for members	5,816,429	5,879,262
	15,475,494	13,195,687
Expenses	9,047,249	6,521,207
Requisition for members	5,816,429	5,879,262
	14,863,678	12,400,469
Annual surplus	\$ 611,816	\$ 795,218

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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## 15. Risk management:

The District has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk, and market risk (interest rate risk, and other price risk).

Management oversees the District's systems and practices of internal control and ensures that these controls contribute to the assessment and mitigation of risk. The District has experienced no change in its risk exposure and has not made any changes to its risk management policies and procedures during the year.

### (a) Credit risk:

Credit risk is the risk of a financial loss to the District if a counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss. Such risks arise principally from certain financial assets held by the District consisting of cash and cash equivalents, investments and receivables.

Cash and cash equivalents and investments are held with reputable financial institutions with investment grade external credit ratings. The majority of receivables are owing from government agencies. The District is able to recover delinquent taxes through tax sale of properties with unpaid property taxes.

The District assesses on a continuous basis its receivables and provides for any amounts that are uncollectible in an allowance for doubtful accounts. The maximum exposure to credit risk is the carrying value of financial assets.

### (b) Liquidity risk:

Liquidity risk is the risk that the District will not be able to meet its financial obligations as they become due. The District's objective is to have sufficient liquidity to meet these liabilities when due. The District prepares financial plans, monitors its cash balance and cash flows to meet its liquidity requirements.

### (c) Market risk:

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other price risks, will affect the District's results of operations or the fair value of its holdings of financial instruments.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The District mitigates interest rate risk by investing in fixed-rate investments and debt. The District is subject to interest rate risk at maturity or refinancing.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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## 16. Segmented information:

The District is a diversified municipal organization that provides a wide range of services to its citizens. District services are provided by departments and their activities reported separately. Certain functions that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

(a) General government:

The General Government function is comprised of Legislative Services (Council and Committees) and General Administration, which includes Financial Management, Common Services and other administrative activities related to the management of the District. This segment also includes any other functions categorized as non-departmental.

(b) Protective services:

The Protective Services are comprised of three core services: Emergency Program, Fire Protection, Building and Bylaw Enforcement.

Emergency Program captures the District's emergency preparedness programs that ensure the District is prepared and capable to respond to the devastating effects of a disaster or major catastrophic event.

Fire Protection Services are carried out by the District's Fire Department, whose mandate is to provide critical lifesaving services in preventing or minimizing the loss of life and property from fire and natural and man-made emergencies.

Building and Bylaw Enforcement promotes, facilitates and enforces general compliance with the provisions of bylaws that pertain to the health, safety and welfare of the community.

(c) Transportation services:

Transportation services is responsible for transportation functions including roads and streets.

As well, services are provided around infrastructure, transportation planning, pedestrian and cycling issues and on-street parking regulations, including street signs and painting.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

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## 16. Segmented information (continued):

### (d) Environmental and development services:

Environmental development services works to achieve the District's community planning goals through the official community plan and other policy initiatives. Planning provides a full range of planning services related to zoning, development permits, variance permits and current regulatory issues.

### (e) Recreation and cultural services:

Recreation and cultural services is responsible for the maintenance and development of all park facilities. Recreation services facilitate the provision of recreation and wellness programs and services through West Shore.

The accounting policies used in these segments is consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1. The following table provides additional financial information for the foregoing segments.

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 16. Segmented information (continued):

	General Government Services	Protective Services	Transportation Services	Environmental and Development services	Recreation and cultural services	Total
<b>2023</b>						
<b>Revenue:</b>						
Taxation	\$ 809,885	\$ 661,446	\$ 593,167	\$ 131,239	\$ 291,850	\$ 2,487,587
Government transfers	750,318	25,000	979,510	167,582	414,162	2,336,572
Sale of services	8,217	-	-	-	-	8,217
Licenses permits and other	49,324	33,885	-	15,310	-	98,519
Investment income	203,839	96,583	127,015	3,902	13,867	445,206
Other	22,471	34,511	-	-	357,563	414,545
<b>Total revenue</b>	<b>1,844,054</b>	<b>851,425</b>	<b>1,699,692</b>	<b>318,033</b>	<b>1,077,442</b>	<b>5,790,646</b>
<b>Expenses:</b>						
Contracted and general services	218,377	99,834	260,413	53,351	635,921	1,267,896
Wages and employee benefits	589,212	252,279	5,244	164,201	-	1,010,936
Materials, supplies and utilities	30,075	97,775	84,884	-	13,098	225,832
Council expenses	108,592	-	-	-	-	108,592
Grants	24,008	-	-	-	-	24,008
Interest	3,784	2,928	-	-	26,774	33,486
Amortization	5,179	143,474	632,740	183	118,637	900,213
<b>Total expenses</b>	<b>979,227</b>	<b>596,290</b>	<b>983,281</b>	<b>217,735</b>	<b>794,430</b>	<b>3,570,963</b>
<b>Annual surplus</b>	<b>\$ 864,827</b>	<b>\$ 255,135</b>	<b>\$ 716,411</b>	<b>\$ 100,298</b>	<b>\$ 283,012</b>	<b>\$ 2,219,683</b>

# DISTRICT OF HIGHLANDS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 16. Segmented information (continued):

	General Government Services	Protective Services	Transportation Services	Environmental and Development services	Recreation and cultural services	Total
2022						
<b>Revenue:</b>						
Taxation	\$ 610,723	\$ 651,961	\$ 697,741	\$ 131,086	\$ 305,066	\$ 2,396,577
Government transfers	172,580	8,721	412,059	37,043	97,211	727,614
Sale of services	5,904	-	-	-	227,040	232,944
Licenses, permits and other	34,167	27,118	35	14,776	-	76,096
Investment income	48,509	32,410	47,990	7,535	8,736	145,180
Other	20,691	30,992	-	-	73,822	125,505
<b>Total revenue</b>	<b>892,574</b>	<b>751,202</b>	<b>1,157,825</b>	<b>190,440</b>	<b>711,875</b>	<b>3,703,916</b>
<b>Expenses:</b>						
Contracted and general services	217,382	97,825	277,743	44,441	546,710	1,184,101
Wages and employee benefits	537,659	198,540	7,277	155,693	-	899,169
Materials, supplies and utilities	52,104	98,137	142,963	-	11,841	305,045
Council expenses	100,004	-	-	-	-	100,004
Grants	22,445	-	-	-	-	22,445
Interest	2,822	-	-	-	26,774	29,596
Amortization	5,818	141,051	637,286	183	94,855	879,193
<b>Total expenses</b>	<b>938,234</b>	<b>535,553</b>	<b>1,065,269</b>	<b>200,317</b>	<b>680,180</b>	<b>3,419,553</b>
<b>Annual surplus (deficit)</b>	<b>\$ (45,660)</b>	<b>\$ 215,649</b>	<b>\$ 92,556</b>	<b>\$ (9,877)</b>	<b>\$ 31,695</b>	<b>\$ 284,363</b>

# DISTRICT OF HIGHLANDS

## Schedules - COVID-19 Restart Grant and Growing Communities Fund Grant

Year ended December 31, 2023  
(Unaudited)

### Schedule - COVID-19 Restart Grant

On November 19, 2020, the District received a COVID-19 Safe Restart Grant from the Province of British Columbia to help address the fiscal impacts of COVID-19. The grant was recognized as revenue when received and transferred to an operating reserve to fund future eligible expenditures.

	2023	2022
COVID-19 Safe Restart Grant, beginning of year	\$ 602,962	\$ 668,243
COVID-19 Safe Restart Grant received	-	-
Eligible costs incurred:		
COVID-19 related costs and emergency preparedness	(29,266)	(60,288)
Capital costs	(57,761)	(20,346)
Interest allocation	32,314	15,353
COVID-19 Safe Restart Grant, end of year	\$ 548,249	\$ 602,962

### Schedule - Growing Communities Fund Grant

In March, the District received a Growing Communities Fund Grant from the Province of British Columbia to support the delivery of projects that are incremental to currently planned infrastructure. The grant was recognized as revenue which received and transferred to an operating reserve to fund future eligible expenditures.

	2023
Growing Communities Fund, beginning of year	\$ -
Growing Communities Fund Grant received	1,661,000
Eligible costs incurred:	
Capital infrastructure costs	(602,542)
Interest allocation	63,314
	\$ 1,121,772



District of Highlands  
Statement of Financial Information  
For the Year Ended December 31, 2023  
(Unaudited)

# DISTRICT OF HIGHLANDS

## Statement of Financial Information Approval

Year ended December 31, 2023

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



Lorraine Hilton  
Treasurer  
June 17, 2024



Ken Williams  
Mayor on behalf of Council  
June 17, 2024

*Prepared pursuant to the Financial Information Regulations, Schedule 1, section 9*

# DISTRICT OF HIGHLANDS

## Management Report

Year ended December 31, 2023

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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,



Lorraine Hilton  
Treasurer  
June 17, 2024

# DISTRICT OF HIGHLANDS

## Statement of Remuneration and Expenses (Unaudited)

Year ended December 31, 2023

Elected Officials			
		Remuneration	Expenses
Williams, Ken	Mayor	\$ 17,564	\$ 4,947
Anderson, Leslie	Councillor	10,539	1,005
Baird, Ann	Councillor	10,539	89
Baird, Gord	Councillor	10,539	416
McLean, Marcie	Councillor	10,539	317
Roessingh, Karel	Councillor	10,539	103
Stanton, Rose	Councillor	10,539	3,447
		<b>\$ 80,798</b>	<b>\$ 10,324</b>

Employees			
		Remuneration	Expenses
Beckett, Laura	Planner	\$ 105,461	\$ 2,260
Hilton, Lorraine	Chief Administrative Officer	152,630	7,264
Lapierre, Brigitte	Finance Clerk	75,965	-
Leek, Chris	Building Official	124,990	7,003
Miles, Melisa	Corporate Officer	115,631	443
	Other Employees (under \$75,000)	198,776	-
		<b>\$ 773,453</b>	<b>\$ 16,970</b>

Reconciliation of Remuneration			
1. Elected Officials		\$	80,798
2. Employees			773,453
3. Receiver General for Canada (Employer portion CPP & EI)			36,098
4. Reconciling Items*		\$	229,179
Total per Note 13 to the Audited Financial Statements		<b>\$</b>	<b>1,119,528</b>

### \* Reconciling Items:

Benefits paid on behalf of employees that are neither taxable to the employee nor paid directly to the employee are excluded from remuneration and expenses. Examples would be the employer's portion of contributions to registered pension and superannuation plans, extended health and dental plans. These payment types would be included in the Schedule of Payments to Suppliers of Good and Services.

# DISTRICT OF HIGHLANDS

## Schedule of Payments to Suppliers for Goods and Services (Unaudited)

Year Ended December 31, 2023

Supplier Name	Aggregate amount paid to supplier
AIRE SERV HEATING AND AIR CONDITIONING	32,097
ASSOCIATED FIRE SAFETY	32,097
BC ASSESSMENT	46,511
BC TRANSIT	262,757
BRYDGES, BRIAN ROAD CONSULTING	29,446
C.R.E.S.T.	45,663
CAPITAL CITY PAVING LTD	279,448
CAPITAL REGIONAL DISTRICT	389,658
CAPITAL REGIONAL HOSPITAL DISTRICT	172,003
E.S. WILLIAMS & ASSOCIATES INC	28,466
GLOBAL PRO SYSTEMS INC	346,485
GREATER VICTORIA PUBLIC LIBRARY	145,571
JAN-PRO JANITORIAL VANCOUVER ISLAND	25,037
KPMG LLP	26,402
MINISTRY OF FINANCE & CORPORATE RELATIONS	1,330,812
MUNICIPAL PENSION PLAN	112,704
PACIFIC BLUE CROSS	50,316
RBC - VISA	45,519
RECEIVER GENERAL FOR CANADA	227,936
TOTAL POWER LIMITED	57,120
VICTORIA CONTRACTING & MUNICIPAL MAINTENANCE CORP	322,241
VINTAGE WOODWORKS	27,640
WESTSHORE PARKS & RECREATION SOCIETY	224,886
WESTLAND INSURANCE	41,189
YOUNG ANDERSON BARRISTERS & SOLICITORS	35,134
Total of aggregate payments exceeding \$25,000	4,337,137
Consolidated total of payments of \$25,000 or less	572,834
Total grants of \$25,000 or less	-
<b>Total Disbursements</b>	<b>4,909,971</b>
<b>Per Note 13 of the Financial Statements - Expenditure by Object</b>	<b>3,570,963</b>
<b>Variance*</b>	<b>\$ 1,339,008</b>

**\* The variance occurs for the following reasons:**

- the financial statements are prepared on an accrual basis and this report is on a cash basis
- GST is included in payments to suppliers but is not included in the financial statement total
- payments are included in this report for transfers to other governments which are not included as expenditures in the financial statements

Prepared under the Financial Information Regulation, Schedule 1, section 7 and the Financial Information Act, section 2

# DISTRICT OF HIGHLANDS

## Schedule of Guarantee and Indemnity Agreements

Year ended December 31, 2023

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



Lorraine Hilton

Treasurer

June 17, 2024

# DISTRICT OF HIGHLANDS

## Statement of Severance Agreements

Year ended December 31, 2023

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There were no severance agreements made between District of Highlands and its non-unionized employees during fiscal year 2023



Lorraine Hilton  
Treasurer  
June 17, 2024



**The 2023 Annual Report is available at [www.highlands.ca](http://www.highlands.ca)**  
**Printed copies are available by request.**  
**Questions and comments may be submitted by telephone at 250-474-1773**  
**or by email to [info@highlands.ca](mailto:info@highlands.ca)**

