2025 Annual Report: Input and Responses

The following table provides a record of input from members of the public regarding the DNV's 2025 Annual Report.

Staff responses accompany each submission where applicable. For more information on the DNV's Annual Report, please visit DNV.org/annual-report, or watch the June 22, 2026 Public Meeting.

Input provided during the Special Council Meeting. Recording may be found at: Council Meetings Video (DNV.org)

Submission	Response
I've already sent in my summary with ChatGPT and myself worked on, but to give you a summary oversight of what it feels are important issues. So I won't bore the public on the contents of that summary but I hope that Council takes notice of what we, together, ChatGPT and myself, were important issues. This makes it look like the report that was being presented by staff is completely different than the report by ChatGPT and myself. My focus is more on the money and advances in large areas like the wastewater costs which are very much on the news nowadays. So that's basically all I have to say. I hope this will be read by members of Council and maybe have some influence. Thank you very much.	Thank you for your input. Mayor Little provided a response during the Special Council Meeting. The response can be viewed at the 22-minute timestamp.

Input provided online via the Annual Report public input form

Submission	Response
DNV is overstaffed-need to review and cut (EG list of staff attending council meetings is too many. Have alternate response methodology for questions/info)	Staff attendance at Council meetings has been streamlined such that General Managers and/or Directors attend Council where the agenda includes items within their operational purview. Human Resources is conducting a review of the staffing complement in comparison to similarly sized municipalities across the region.
DNV should not be in rental/housing operations Our property taxes are out of line, need to be reduced. EG new vehicles should be basic, no fancy wheels/deluxe features	Thank you for your feedback. The District recognizes the importance of keeping property taxes affordable and has generally maintained tax increases at or near the rate of inflation while continuing to provide the services residents rely on. Fleet vehicles are purchased based upon operational requirements, lifecycle costs, reliability, and safety. Vehicle specifications are selected to ensure they meet the service needs of the District and are not intended to include unnecessary features.
Do you still have an individual on staff who covers environmental issues for DNV? Who is this person? What is the name and length of employment and salary?	Environmental management and climate action policies and procedures are handled by a range staff in a number of departments, whose length of service and salary vary. For more information about the 2025 salaries paid to District employees over the threshold amount of $75,000, please review the Statement of Financial Information (SOFI), 2025.

Input provided via email to the Corporate Officer

Submission	Response
Summary of 2025 Annual Report The material is based on the summary produced by ChatGTP from the contents of the 2025 and 2024 Annual Reports published by the DNV. CharGPT produced the following Executive Overview: The 2024 report reads largely as a transition year, focused on responding to the Province's new housing legislation, implementing development process reforms, and managing climate-related events. The 2025 report appears to shift emphasis toward financial sustainability, risk management, reserve management, and long-term affordability. The language is noticeably more focused on fiscal constraints and external cost pressures. That change in emphasis is one of the most significant observations. ChatGPT noted that the financial narrative had changed significantly – the 2024 CFO message emphasized: • Maintaining flexibility • Preparing for a more constrained future • Strong investment income • Property tax pressures • Municipal finance reform • Building reserves to manage North Shore Wastewater costs While the 2025 CFO message was much more explicit about:	Thank you for your comments. The issues identified in your review, including financial sustainability, infrastructure renewal, affordability, housing growth, reserve management, and the North Shore Wastewater Treatment Plant, are important considerations for the District and are reflected throughout the 2025 Annual Report. These matters continue to be monitored through the District’s long-term planning and budget processes.

• Long-term sustainability • Cost escalation beyond inflation • Infrastructure renewal pressures • Regional utility charges • Affordability challenges • Financial risk management Which could be interpreted that: Staff appear to be preparing Council and the public for a future where: • utility costs rise, • infrastructure replacement accelerates, • regional costs become increasingly important, • affordability becomes harder to maintain. Where the phrase "costs largely outside the District's control" appeared repeatedly. In the meantime the North Shore Wastewater Plant became even a larger concern: Where the CFO identifies probably one of the most important statements in the entire report: "future debt servicing expected to place sustained pressure on utility rates and reserves" and labels regional wastewater cost sharing as a "significant financial risk." On the topic "Reserve Funds Are Shrinking" In 2024 they were approximately $187 million In 2025 they were approximately $167 million That is a decline of roughly $20 million. The 2025 report stresses the importance of preserving reserve capacity and repeatedly describes reserves as critical to future flexibility. I am concerned about DNV taking on obligations faster than long-term funding capacity grows. Questions worth asking: • Is the decline temporary?	

• Is it related to planned capital expenditures?
• Is it tied to wastewater liabilities?
• What is the projected reserve balance five years out?

Housing Has Moved from "Implementation" to "Accommodation"
The 2024 report was dominated by implementation of provincial housing legislation.

Examples include:

• 22,369 new homes target by 2041
• coach house expansion
• BC Housing agreements
• supportive housing approvals
• development finance changes

By 2025 the discussion appears less focused on the financial discussion references:

• growth management
• growth-related infrastructure demands
• housing-related reserves

Interpretation: The housing debate inside DNV may be shifting from: "How do we comply with provincial legislation?" to "How do we pay for the infrastructure needed to support it?"

Climate Risk Is Becoming an Infrastructure Issue. The 2024 report discussed:

• atmospheric river events
• flooding
• forest impacts
• climate adaptation

The 2025 report places more emphasis on: • climate resiliency requirements • infrastructure renewal • capital investment pressures **Interpretation:** Climate discussion is moving from environmental management toward financial management and infrastructure planning. That is an important shift. **Governance Observation** The organizational chart is virtually unchanged between 2024 and 2025. However, one subtle change caught the ChatGPT eye. In 2024: • "Legislative Services and Municipal Clerk" In 2025: • "Legislative Services and Corporate Officer" This may simply reflect updated terminology under BC local government practice, but it is one of the few structural changes visible from the excerpts. **What Caught the ChatGPT Attention Most** If I were briefing a long-time DNV observer, I would highlight four items: 1. Wastewater costs are becoming a dominant long-term risk. 2. Reserve levels appear to have declined from roughly $187M to $167M. 3. Housing discussion is evolving from regulatory compliance toward infrastructure affordability. 4. The tone of the 2025 report is noticeably more focused on fiscal sustainability and financial risk than the 2024 report. Those themes align closely with concerns that were raised over the years regarding: • infrastructure obligations,	The title was updated to replaced older language and reflect the title used in provincial legislation. The statutory responsibilities of the role remain unchanged.

• transparency of long-term liabilities, • affordability impacts on residents, • and the relationship between provincial growth requirements and municipal finances. A next step that may be particularly valuable would be a deeper review of the "Special Impacts" sections of both reports. That is often where DNV discusses major emerging issues such as the North Shore Wastewater Treatment Plant, provincial housing legislation, and other strategic risks. Those sections often reveal more than the headline financial statements	
I then prompted ChatGPT "Can you specifically note the DCC's collected and how they may have been disperses?" Yes. The reports provide a surprisingly useful picture of DCC collections and expenditures, although you have to dig into the notes to the financial statements to find it. **What DCCs Are Intended to Fund** The District states that DCCs are collected to finance growth-related infrastructure: • Roads • Drainage • Water • Sewer • Parks and that they are recognized as revenue only when approved expenditures are incurred **2025 DCC Collections** In 2025 the District collected approximately $9.29 million in new DCCs.	Thank you for your comments. DCC collections and expenditures vary from year to year based on development activity and the timing of capital projects. DCC funds are restricted for eligible growth-related infrastructure purposes and are administered in accordance with the Community Charter. The factors identified in your submission are among those that may have influenced the increase in DCC collections between 2024 and 2025, including updated DCC rates, development activity levels, the timing of development projects and DCC payments, the introduction of the Safety DCC category, provincial housing legislation, and instream protection requirements that affected eligible infrastructure costs and DCC rates. The District is also undertaking a review of its development financing programs and rates to help ensure growth-related infrastructure costs are appropriately funded over the long term, including addressing DCC reserve balances. Additional details are provided in the audited financial statements and notes contained in the Annual Report.

Category DCC Collected Water $1.403 M Sewer $0.696 M Drainage $0.490 M Safety $0.0002 M Roads $3.880 M Parks $2.822 M **Total $9.291 M** Roads and Parks account for roughly 72% of all DCC collections. That suggests most development-related infrastructure funding continues to be directed toward transportation and park infrastructure rather than utilities. **How the 2025 DCCs Were Dispersed?** The report identifies actual expenditures from DCC reserve funds for capital projects. **Category DCC Expenditure** Water $1.088 M Sewer $0.382 M Drainage $0.350 M Safety $0.409 M Roads $0.408 M Parks $6.628 M **Total $9.265 M** **What stands out?** Nearly 72% of all DCC spending in 2025 went to Parks projects. Parks received: • $2.82 million collected • $6.63 million spent	

meaning the District spent substantially more from the Parks DCC reserve than was collected during the year.

DCC Reserve Balances. At the end of 2025:

Category Reserve Balance

Water -$16,195
Sewer -$497,453
Drainage $556,867
Safety -$408,752
Roads $11.824 M
Parks $9.396 M
Total $20.855 M
Several DCC categories are actually negative.

The report explains that the Community Charter allows borrowing between DCC reserve categories and that deficits must eventually be repaid.

Comparison with 2024. Only about $900,000 was collected.

Category DCC Collected

Water $133 K
Sewer $66 K
Drainage $65 K
Roads $372 K
Parks $265 K
Total $900 K
DCC Expenditures in 2024 Approximately $5.77 million was spent. Thus:

• 2024: spend > collect by about $4.9M

• 2025: collect ≈ spend

This is a dramatic improvement in DCC cash flow. **Another Item That Caught Attention** The District reports: "Development Cost Charges collected on behalf of other jurisdictions" of: • $959,386 in 2024 • $2,135,657 in 2025 That more than doubled in one year. This likely reflects regional or external agency portions of development financing that DNV collects and remits, rather than funds available for District projects. **A Question for Staff** Given your long-standing interest in infrastructure finance and housing legislation, I would ask: Between the adoption of the new DCC and Amenity Cost Charge bylaws in 2024 and the end of 2025, **how much of the increase in DCC collections is attributable to:** 1. higher DCC rates, 2. increased development activity, 3. timing of large developments, 4. introduction of the new Safety category, 5. provincial housing legislation (Bills 44, 46 and 47)? The jump from roughly $0.9 million collected in 2024 to $9.3 million in 2025 is large enough that it deserves explanation.	

My preliminary conclusion is that DNV's DCC system appears increasingly dependent on Roads and Parks funding, while Water, Sewer, and now Safety reserves are running deficits that will require future collections to restore.	