



## City of Colwood REPORT

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**File:** 1765-01\_2018 Annual DCC Report  
**Date:** 2019-04-03

**To:** Chief Administrative Officer  
**From:** Director of Finance

**To:** Council  
**Date:** April 23, 2019

**RE:** 2018 Annual Development Cost Charges Report

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### 1. SUMMARY

Municipalities are required to annually report on development cost charges collected and spent during the fiscal period.

### 2. OVERVIEW

The 2018 development cost charge (DCC) activity is reported in the attached Appendix A.

### 3. BACKGROUND

Section 569 (1) of the *Local Government Act* requires a municipality to report on development cost charges collected and spent during the fiscal period. This legislated report must be prepared annually and be made available to the public.

The City's road development cost charge bylaws may be cited as "Colwood Development Cost Charge Bylaw (Major Roads), 1998" and "Colwood Development Cost Charge Bylaw (Major Roads), 1998, Bylaw No. 441, Amendment No. 1, Bylaw No. 1528, 2014". The City's sewer development cost charge bylaw may be cited as "Colwood Sewer Enhancement Development Cost Charge Bylaw No. 1431, 2011". In 2018, city staff started a review and update of the Colwood Development Cost Charge Bylaw (Major Roads), 1998.

City staff are currently updating the Colwood Development Cost Charge Bylaw (Major Roads), 1998. Staff expect this bylaw will be brought forward to Council for consideration in spring, 2019.

#### 4. COMMUNICATIONS

Information on the City's development cost charges is presented to Council as part of the April annual presentation of the consolidated financial statements.

#### 5. FINANCIAL CONSIDERATIONS

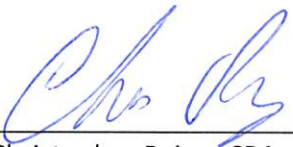
Any development cost charges collected are initially recorded as deferred revenue on the City's financial statements until spending is authorized by Council, in accordance with the terms of the City's development cost charge bylaws.

As the result of an internal review of DCC expenditures, staff determined that \$67,300 in road DCC funding was used to fund ineligible projects between 2014 and 2016. A retroactive adjustment was made, returning this funding to the to the deferred road DCC account.


#### 6. RECOMMENDATION

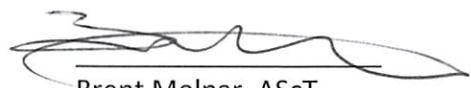
That Council receive the report for information purposes only.

Respectfully submitted,

  
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Christopher Paine, CPA, CGA  
Director of Finance

  
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Jennifer Hepting, CPA, CA  
Manager of Finance

  
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Nikii Høglund  
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Brent Molnar, ASCT  
Director of Development Services

  
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Chris Pease, DipPSM, MBA  
Interim Chief Administrative Officer

**Appendix A**

**City of Colwood  
Development Cost Charges (DCC) Report  
December 31, 2018**

<b><u>2018 Road Development Cost Charges Activity:</u></b>		
Road DCC Balance, January 1, 2018	\$	<b>2,819,750</b>
Add: DCCs received during the year		1,477,987
Add: retroactive adjustment to DCCs spent on ineligible projects in prior year(s)		67,306
Less: amount spent on projects and recorded as revenue		-
Add: interest revenue earned during the year		75,835
<b>Road DCC Balance, December 31, 2018</b>	<b>\$</b>	<b>4,440,878</b>
<b><u>2018 Sewer Development Cost Charges Activity:</u></b>		
Sewer DCC Balance, January 1, 2018	\$	<b>584,027</b>
Add: DCCs received during the year		79,836
Less: amount spent on projects and recorded as revenue		-
Add: interest revenue earned during the year		13,170
<b>Sewer DCC Balance, December 31, 2018</b>	<b>\$</b>	<b>677,033</b>

**2018 DCC Program:**

There were no waivers or reductions of DCCs in 2018.